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SEVENTY-SIXTH LEGISLATURE

1990

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Introduction

The 1990 Session of the Seventy-Sixth Legislature continued with the same leadership as the 1989 Session.

Senator Roger D. Moe, Erskine, continued as Senate Majority Leader and Chair of the Committee on Rules and Administration.

Senator Duane D. Benson, Lanesboro, continued as Senate Minority Leader.

Senator Jerome M. Hughes, Maplewood, continued as President of the Senate.

The political makeup of the 1990 Senate, Seventy-Sixth Legislature, was 44 DFL-ers and 23 Independent Republicans.

Senator Mark Piepho, (IR), Mankato, was elected in a special election held February 3, 1990 to fill the vacant seat in District 24 which Glen Taylor, (IR), resigned. He was sworn in on February 12, 1990.

Senator Donna C. Peterson, (DFL), District 61, resigned her Senate seat, and a special election was held. Carol Flynn, (DFL), Minneapolis, was elected February 10, 1990 and sworn in February 15, 1990.

Rev. Milo Mathison, Mentor, was sworn in as Senate Chaplain February 12, 1990.

Members of the Senate

Adkins, Betty A. (DFL)*	Lantry, Marilyn M. (DFL)
Anderson, Don (IR)**	Larson, Cal (IR)
Beckman, Tracy L. (DFL)	Lessard, Bob (DFL)
Belanger, William V., Jr. (IR)	Luther, William P. (DFL)
Benson, Duane D. (IR)	Marty, John J. (DFL)
Berg, Charles A. (DFL)	McGowan, Patrick D. (IR)
Berglin, Linda (DFL)	McQuaid, Phyllis W. (IR)
Bernhagen, John (IR)	Mehrkens, Lyle G. (IR)
Bertram, Joe, Sr. (DFL)	Merriam, Gene (DFL)
Brandl, John E. (DFL)	Metzen, James (DFL)
Brataas, Nancy (IR)	Moe, Donald M. (DFL)
Chmielewski, Florian (DFL)	Moe, Roger D. (DFL)
Cohen, Richard J. (DFL)	Morse, Steven (DFL)
Dahl, Gregory L. (DFL)	Novak, Steven G. (DFL)
Davis, Charles R. (DFL)	Olson, Gen (IR)
Decker, Bob (IR)	Pariseau, Pat (IR)
DeCramer, Gary M. (DFL)	Pehler, James C. (DFL)
Dicklich, Ronald R. (DFL)	Peterson, Randolph W. (DFL)
Diessner, A. W. "Bill" (DFL)	Piepho, Mark (IR)
Flynn, Carol (DFL)	Piper, Pat (DFL)
Frank, Don (DFL)	Pogemiller, Lawrence W. (DFL)
Frederick, Mel (IR)	Purfeerst, Clarence M. (DFL)
Frederickson, David J. (DFL)	Ramstad, Jim (IR)
Frederickson, Dennis R. (IR)	Reichgott, Ember D. (DFL)
Freeman, Michael O. (DFL)	Renneke, Earl W. (IR)
Gustafson, Jim (IR)	Samuelson, Don (DFL)
Hughes, Jerome M. (DFL)	Schmitz, Robert J. (DFL)
Johnson, Dean E. (IR)	Solon, Sam G. (DFL)
Johnson, Douglas J. (DFL)	Spear, Allan H. (DFL)
Knaak, Fritz (IR)	Storm, Donald A. (IR)
Knutson, Howard A. (IR)	Stumpf, LeRoy A. (DFL)
Kroening, Carl W. (DFL)	Vickerman, Jim M. (DFL)
Laidig, Gary W. (IR)	Waldorf, Gene (DFL)
Langseth, Keith (DFL)	

*DFL — Democratic-Farmer-Labor

**IR — Independent Republican

Senate Leaders

Roger D. Moe	Majority Leader
William P. Luther	Assistant Majority Leader
Ronald R. Dicklich	Majority Whip
Michael O. Freeman	Majority Whip
Steven G. Novak	Majority Whip
Ember D. Reichgott	Majority Whip
Duane D. Benson	Minority Leader
John Bernhagen	Assistant Minority Leader
Mel Frederick	Assistant Minority Leader/Minority Whip
Fritz Knaak	Assistant Minority Leader
Gen Olson	Assistant Minority Leader
Donald A. Storm	Assistant Minority Leader

Officers of the Senate

Jerome M. Hughes President of the Senate
Patrick E. Flahaven Secretary of the Senate
Janine Mattson First Assistant Secretary
Patrice Dworak Second Assistant Secretary
Catherine E. Morrison Engrossing Secretary
Sven K. Lindquist Sergeant at Arms
Ralph C. Graham Assistant Sergeant at Arms
Rev. Milo Mathison Chaplain

Desk Assistants to the Secretary of the Senate:

Colleen J. Barry Third Assistant Secretary
Michael Linn Fourth Assistant Secretary

FIFTY-NINTH DAY

St. Paul, Minnesota, Monday, February 12, 1990

The Senate met at 2:00 p.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Milo Mathison.

OATH OF OFFICE

The newly elected Senator, Mr. Mark Piepho from the Twenty-fourth District, presented his certificate of election and subscribed to the oath of office as administered by the Honorable Peter Popovich, Chief Justice of the Supreme Court.

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

Adkins	Davis	Johnson, D.J.	Mehrkens	Purfeerst
Anderson	Decker	Knaak	Merriam	Ramstad
Beckman	DeCramer	Knutson	Metzen	Reichgott
Belanger	Dicklich	Kroening	Moe, D.M.	Renneke
Benson	Diessner	Laidig	Moe, R.D.	Samuelson
Berg	Frank	Langseth	Morse	Schmitz
Berglin	Frederick	Lantry	Novak	Solon
Bernhagen	Frederickson, D.J.	Larson	Pariseau	Spear
Bertram	Frederickson, D.R.	Lessard	Pehler	Storm
Brandl	Freeman	Luther	Peterson, R. W.	Stumpf
Chmielewski	Gustafson	Marty	Piepho	Vickerman
Cohen	Hughes	McGowan	Piper	Waldorf
Dahl	Johnson, D.E.	McQuaid	Pogemiller	

The President declared a quorum present.

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

MEMBERS EXCUSED

Mrs. Brataas and Ms. Olson were excused from the Session of today.

ELECTION OF OFFICERS

Mr. Moe, R.D. nominated Rev. Milo Mathison for Chaplain.

The roll was called. The following Senators voted for Rev. Milo Mathison.

Adkins	Davis	Johnson, D.J.	Mehrkens	Purfeerst
Anderson	Decker	Knaak	Merriam	Ramstad
Beckman	DeCramer	Knutson	Metzen	Reichgott
Belanger	Dicklich	Kroening	Moe, D.M.	Renneke
Benson	Diessner	Laidig	Moe, R. D.	Samuelson
Berg	Frank	Langseth	Morse	Schmitz
Berglin	Frederick	Lantry	Novak	Solon
Bernhagen	Frederickson, D.J.	Larson	Pariseau	Spear
Bertram	Frederickson, D.R.	Lessard	Pehler	Storm
Brandl	Freeman	Luther	Peterson, R. W.	Stumpf
Chmielewski	Gustafson	Marty	Piepho	Vickerman
Cohen	Hughes	McGowan	Piper	Waldorf
Dahl	Johnson, D.E.	McQuaid	Pogemiller	

The Rev. Milo Mathison, having received the majority vote of all members voting, was duly elected Chaplain of the Senate.

OATH OF OFFICE

The Chaplain advanced to the Bar of the Senate and subscribed to the oath of office as administered by the Honorable Peter Popovich.

REPORTS AND RESOLUTIONS FILED DURING THE INTERIM WITH THE SECRETARY OF THE SENATE

Various reports were filed during the 1989 interim by Retirement and Relief Associations and are filed in the office of the Secretary of the Senate; also reports made by the Legislative Audit Commission on various state institutions and boards; Department of Human Services, General Assistance Medical Care, 1988; Department of Human Services, Medical Assistance (Title XIX), 1988; Regional Transit Board, Metro Mobility Customer Service Quality, 1989; Southwest Regional Development Commission, Overall Work Program, 1990; Department of Human Services, Minnesota Aid to Families with Dependent Children, 1988; Departments of Public Safety, Human Services and the State Planning Agency, Evaluation of the Implementation and Effects of the Alcohol Safety Programs; Department of Natural Resources, Division of Waters, Water Bank Program, 1988-89; Regional Transit Board, 1988; Department of Agriculture, Agriculture Statistics, 1989; Department of Public Safety, Bureau of Criminal Apprehension, Criminal Justice Information Systems, Crime Information, 1988; Minnesota State Retirement System, Annual Report, 1988; Minnesota State Fair, Annual Report, 1988; Office of Traffic Safety, Department of Public Safety, Motor Vehicle Crash Facts, 1988; Department of Labor and Industry, Labor Standards Division, Prevailing Wage Certification, 1989; Department of Trade and Economic Development, Invention and Innovation Support, 1989; Department of Public Safety, State Fire Marshall Division, Annual Report, 1988; Department of Health, Quality Assurance Activities for Health Maintenance Organizations, 1989; Department of Health, Tobacco Use Prevention Initiative, 1987-88; Department of Administration, Business Procurement Program for Socially or Economically Disadvantaged Vendors, Annual Report, 1988; University of Minnesota, Preliminary Enrollment, 1989; Department of Labor and Industry, Biennial Report, 1986-88; Task Force on Child Care in Higher Education, 1989; Minnesota Historical Society, St. Anthony Falls Heritage Board, 1989; Department of Public Safety, Law Enforcement Legislative Buy Fund Activity Report, 1988-89; Department of Administration, Risk Management Division, Annual Report, 1989; Department of Natural Resources, Division of Enforcement Special Investigations, Annual Financial Report, 1989; Iron Range Resources

and Rehabilitation Board, Northeast Minnesota Economic Protection Trust Fund, Long Range Plan for the Economic Development and Diversification of the Taconite Tax Relief Area, 1988; Department of Public Safety, Minnesota Emergency Response Plan for High-Level Radioactive Waste Transportation Accidents/Incidents, 1989; State Auditor of Minnesota, Revenues, Expenditures, and Debt of the Cities in Minnesota, Fiscal Year ended December 31, 1988; University of Minnesota, Annual Report, 1989; Metropolitan Council, Program Effectiveness, 1989; Department of Human Services, Supplemental Aid Program, Annual Report, 1988; Minnesota Zoological Garden, Annual Report, 1988-89; Department of Agriculture, Progress Report on the Minnesota Amaranth Feasibility Study, 1989; Board of Animal Health, Annual Report, 1988-89; University of Minnesota, Enrollment Limitation and Monitoring Quality Improvement, 1989; Board of Peace Officer Standards and Training, Annual Report, Regarding Monies Distributed by the P.O.S.T. Board, 1989; Department of Health, Maternal and Child Nutrition Act, 1989; Indian Affairs Council, Annual Report, 1989; Department of Jobs and Training, Economic Opportunity Office, Community Services Block Grant, Discretionary Funds, 1990; Department of Jobs and Training, Economic Opportunity Office, Minnesota Head Start, 1990; Department of Transportation, Rail User Loan Guarantee Program, 1989; Metropolitan Council, Annual Report and Appendix, 1989; Metropolitan Council of the Twin Cities Area, Metropolitan Agencies Personnel, Ethical Practices and Communication Activities, 1990; Department of Health, Occupational Health Surveillance: A Planning Proposal, 1990; Public Employees Retirement Association, Comprehensive Annual Financial Report, 1989; Office of Planning and Development, Hennepin's Criminal Justice System and the New Public Safety Facility, 1990; Minnesota Educational Computing Corporation (MECC), Recommendations and Procedures for Sale, 1990; Department of Employee Relations, Biennial Report, 1989; State Planning Agency, Metro Mobility Standing Orders, 1990; State Planning Agency, Department of Human Services and Department of Finance, Health Care Program Rate-Setting Rule, Changes and State Expenditures, 1990; State Planning Agency, Lead Abatement Subsidies, 1990; Metropolitan Council, Regional Parks, Operation and Maintenance Grants, 1990; Metropolitan Council, New Major Airport, Search Area Protection, 1990; Metropolitan Council, Metropolitan Aviation Development Guide Amendments, 1990; Minnesota Advisory Council on Metropolitan Airport Planning, 1990; Department of Administration, The Need for Additional Veterans Nursing Homes in Minnesota, 1989; Department of Agriculture, Agronomy Services Division, Report to the Minnesota Legislative Water Commission and the Legislature, 1990; Department of Agriculture, Minnesota Farmers' Market WIC Coupon Program, 1989; Crime Victims Reparations Board, Fourteenth Annual Report, 1989; Department of Health, Maternal and Child Health Services Block Grant, 1990; Board of Aging, Progress Report, Resident and Family Advisory Council Education Program, 1990; State Board of Investment, Annual Report, 1989; Department of Health, Childhood Respiratory Health, Feasibility Study, Inver Grove Heights-Eagan, MN, 1990; University of Minnesota, Enrollment Report, 1990; Department of Finance, Prompt Payment Report, 1990.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

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

June 30, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointment to the Board of the Minnesota School and Resource Center for the Arts is hereby respectfully submitted to the Senate for confirmation as required by law:

Philip Brunelle, 4211 Glencrest Rd., Golden Valley, Hennepin County, has been appointed by me, effective June 27, 1989, for a term expiring the first Monday in January, 1991.

(Referred to the Committee on Education.)

June 30, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Paul Toren, 805 Park Ave., Mahtomedi, Washington County, has been appointed by me, effective June 27, 1989, for a term expiring the first Monday in January, 1993.

(Referred to the Committee on Environment and Natural Resources.)

June 30, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointment to the Minnesota Higher Education Coordinating Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Paul Day, 1790 Carl St., St. Paul, Ramsey County, has been appointed by me, effective June 27, 1989, for a term expiring the first Monday in January, 1992.

(Referred to the Committee on Education.)

June 30, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Robert Zevnick, 1254 Dodd Rd., Mendota Heights, Dakota County, has been appointed by me, effective June 27, 1989, for a term expiring June 30, 1993.

(Referred to the Committee on General Legislation and Public Gaming.)

July 6, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointment as Chair of the Regional Transit Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Michael Ehrlichmann, 433 S. 7th St., Minneapolis, Hennepin County, has been appointed by me, effective August 1, 1989, for a term expiring the first Monday in January, 1991.

(Referred to the Committee on Transportation.)

July 17, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Benjamin Vander Kooi, Jr., 127 E. Main, Box 116, Luverne, Rock County, has been appointed by me, effective July 17, 1989, for a term expiring the first Monday in January, 1991.

(Referred to the Committee on General Legislation and Public Gaming.)

July 17, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Lorraine Berman, 4400 Morningside Rd., Edina, Hennepin County, has been appointed by me, effective July 16, 1989, for a term expiring June 30, 1990.

(Referred to the Committee on General Legislation and Public Gaming.)

July 17, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Robert Fragnito, P.O. Box 32, Nashwauk, Itasca County, has been appointed by me, effective July 16, 1989, for a term expiring June 30, 1993.

(Referred to the Committee on General Legislation and Public Gaming.)

July 17, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Barbara Grove, HCR 2, Box 124, Emily, Crow Wing County, has been appointed by me, effective July 16, 1989, for a term expiring June 30, 1991.

(Referred to the Committee on General Legislation and Public Gaming.)

July 17, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Raymond Joachim, Sr., 109 - 6th St. W., Jordan, Scott County, has been appointed by me, effective July 16, 1989, for a term expiring June 30, 1991.

(Referred to the Committee on General Legislation and Public Gaming.)

July 17, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Raymond Potami, Box 274, Side Lake, St. Louis County, has been appointed by me, effective July 16, 1989, for a term expiring June 30, 1992.

(Referred to the Committee on General Legislation and Public Gaming.)

July 17, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Rozann Prich, 1292 Castle Ct., Golden Valley, Hennepin County, has been appointed by me, effective July 16, 1989, for a term expiring June 30, 1992.

(Referred to the Committee on General Legislation and Public Gaming.)

August 28, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointment to the Board of the Minnesota Center for Arts Education is hereby respectfully submitted to the Senate for confirmation as required by law:

Garland Wright, 1807 Dupont Ave. S., Minneapolis, Hennepin County, has been appointed by me, effective August 18, 1989, for a term expiring the first Monday in January, 1991.

(Referred to the Committee on Education.)

September 27, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointment to the Minnesota Higher Education Coordinating Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Roger Nierengarten, 844 N. 1st St., Sartell, Stearns County, has been appointed by me, effective October 2, 1989, for a term expiring the first Monday in January, 1991.

(Referred to the Committee on Education.)

October 4, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointment as Director of the State Lottery Division of the Department of Gaming is hereby respectfully submitted to the Senate for confirmation as required by law:

George Andersen, 200 Centennial Bldg., 658 Cedar St., St. Paul, Ramsey County, has been appointed by me, effective October 9, 1989, for a term expiring the first Monday in January, 1991.

(Referred to the Committee on General Legislation and Public Gaming.)

October 17, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointment to the Minnesota Higher Education Coordinating Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Marilyn Bryant, 17819 Maple Hill Rd., Wayzata, Hennepin County, has been appointed by me, effective October 15, 1989, for a term expiring the first Monday in January, 1993.

(Referred to the Committee on Education.)

November 3, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointment as Director of the Gambling Control Division of the Department of Gaming is hereby respectfully submitted to the Senate for confirmation as required by law:

Thomas Anzelc, 173 Dennison, Shoreview, Ramsey County, has been appointed by me, effective October 15, 1989, for a term expiring the first Monday in January, 1991.

(Referred to the Committee on General Legislation and Public Gaming.)

November 16, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Sally Howard, 1201 Yale Pl., Minneapolis, Hennepin County, has been appointed by me, effective November 12, 1989, for a term expiring June 30, 1992.

(Referred to the Committee on General Legislation and Public Gaming.)

November 30, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointment to the Board of the Minnesota Center for Arts Education is hereby respectfully submitted to the Senate for confirmation as required by law:

Joe Duffy, 4208 W. 44th St., Edina, Hennepin County, has been appointed by me, effective December 4, 1989, for a term expiring the first Monday in January, 1991.

(Referred to the Committee on Education.)

December 14, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Tom Nelson, 15204 Portland Ave. S., Burnsville, Dakota County, has been appointed by me, effective January 8, 1990, for a term expiring the first Monday in January, 1991.

(Referred to the Committee on Education.)

December 14, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Patrice Vick, 110 N. St. Albans, St. Paul, Ramsey County, has been appointed by me, effective December 4, 1989, for a term expiring the first Monday in January, 1992.

(Referred to the Committee on Public Utilities and Energy.)

January 2, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Peter Hutchinson, 1621 Mt. Curve, Minneapolis, Hennepin County, has been appointed by me, effective January 1, 1990, for a term expiring the first Monday in January, 1991.

(Referred to the Committee on Finance.)

January 19, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointments to the Minnesota Higher Education Facilities Authority are hereby respectfully submitted to the Senate for confirmation as required by law:

Carol Blomberg, Rt. 1, Box 95A, Nashwauk, Itasca County, has been appointed by me, effective January 16, 1990, for a term expiring the first Monday in January, 1994.

Jack Amundson, 2005 S. 14th St., St. Cloud, Stearns County, has been appointed by me, effective January 16, 1990, for a term expiring the first Monday in January, 1994.

(Referred to the Committee on Education.)

January 19, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Bruce Bakken, 4895 Ashley Ln., Inver Grove Heights, Dakota County, has been appointed by me, effective January 16, 1990, for a term expiring the first Monday in January, 1994.

(Referred to the Committee on Economic Development and Housing.)

January 19, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Don Cole, 46 Fern Ct., Babbitt, St. Louis County, has been appointed by me, effective January 16, 1990, for a term expiring the first Monday in January, 1993.

Marilyn Krueger, 4126 Jay St., Duluth, St. Louis County, has been appointed by me, effective January 16, 1990, for a term expiring the first Monday in January, 1994.

(Referred to the Committee on Economic Development and Housing.)

January 19, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Norma McKanna, 100 Emerson Ave. W., West St. Paul, Dakota County, has been appointed by me, effective January 1, 1990, for a term expiring the first Monday in January, 1996.

(Referred to the Committee on Public Utilities and Energy.)

January 29, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Thomas Borman, 2444 Byrnes Rd., Minnetonka, Hennepin County, has been appointed by me, effective January 9, 1990, for a term expiring the first Monday in January, 1991.

(Referred to the Committee on Commerce.)

January 29, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointment to the Minnesota World Trade Center Corporation Board of Directors is hereby respectfully submitted to the Senate for confirmation as required by law:

Ronald Bosrock, 1814 Hillcrest Ave., St. Paul, Ramsey County, has been appointed by me, effective January 24, 1990, for a term expiring the first Monday in January, 1994.

(Referred to the Committee on Economic Development and Housing.)

January 29, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Pierre Mattei, 823 - 5th Ave. S.W., Grand Rapids, Itasca County, has been appointed by me, effective January 24, 1990, for a term expiring the first Monday in January, 1994.

James B. Collier, 604 S.E. 24th St., Willmar, Kandiyohi County, has been

appointed by me, effective January 24, 1990, for a term expiring the first Monday in January, 1994.

(Referred to the Committee on Education.)

February 7, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Tony Bouza, 3810 Sheridan Ave. S., Minneapolis, Hennepin County, has been appointed by me, effective September 1, 1989, for a term expiring the first Monday in January, 1991.

(Referred to the Committee on General Legislation and Public Gaming.)

February 7, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointment as Commissioner of the Department of Human Services is hereby respectfully submitted to the Senate for confirmation as required by law:

Ann Wynia, 1550 Branston St., St. Paul, Ramsey County, has been appointed by me, effective September 1, 1989, for a term expiring the first Monday in January, 1991.

(Referred to the Committee on Health and Human Services.)

February 7, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointment as Director of the Office of Waste Management is hereby respectfully submitted to the Senate for confirmation as required by law:

Michael Robertson, 1515 Hilo Ave. N., Oakdale, Washington County, has been appointed by me, effective July 1, 1989, for a term expiring the first Monday in January, 1991.

(Referred to the Committee on Environment and Natural Resources.)

January 29, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

It is my pleasure to enclose herewith the names of notaries public in the State of Minnesota.

Pursuant to the provisions of Article V, Section 3, of the Minnesota Constitution, I hereby appoint those individuals as notaries public and hereby request the advice and consent of the Senate in those appointments.

Sincerely,
Rudy Perpich, Governor

Mr. Moe, R.D. moved that the appointments of notaries public be laid on the table. The motion prevailed.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 851.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 22, 1989

FIRST READING OF HOUSE BILLS

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

H.F. No. 851: A bill for an act relating to courts; increasing certain fees collected by the court administrator; amending Minnesota Statutes 1988, sections 171.06, subdivisions 2 and 4; 357.021, subdivision 2; and 525.22.

Referred to the Committee on Finance.

MOTIONS AND RESOLUTIONS

Mr. Davis moved that his name be stricken as chief author, shown as a co-author, and the name of Mr. Frederickson, D.J. be shown as chief author to S.F. No. 889. The motion prevailed.

Mr. Hughes moved that the name of Ms. Peterson, D.C. be stricken as a co-author to S.F. No. 1074. The motion prevailed.

Mr. Hughes moved that the name of Mr. Marty be added as a co-author to S.F. No. 1074. The motion prevailed.

Mr. Marty moved that the name of Mr. Hughes be added as a co-author to S.F. No. 1606. The motion prevailed.

Mr. Bertram moved that the name of Mr. Pehler be added as a co-author to S.F. No. 1648. The motion prevailed.

Messrs. Moe, R.D. and Benson introduced—

Senate Resolution No. 141: A Senate resolution relating to postage.

BE IT RESOLVED, by the Senate of the State of Minnesota:

For the 1990 session of the 76th Legislature, the Secretary of the Senate may purchase postage to furnish each member of the Senate 5,500 stamps. Each member named as chair of a standing committee in the Senate resolution designating committee assignments may be furnished with an additional 1,000 stamps for the necessary business of the committee.

An additional postage allowance of 1,000 stamps is authorized for the Senate Minority Leader; five other members of the minority designated by the Senate Minority Leader; and five members of the majority designated by the Senate Majority Leader.

Each member of the Senate shall receipt to the Secretary of the Senate for the postage received.

Mr. Moe, R.D. moved the adoption of the foregoing resolution.

The question was taken on the adoption of the foregoing resolution.

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

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Mehrkens	Purfeerst
Anderson	Decker	Knaak	Merriam	Ramstad
Beckman	DeCramer	Knutson	Metzen	Reichgott
Belanger	Dicklich	Kroening	Moe, D.M.	Renneke
Benson	Diessner	Laidig	Moe, R.D.	Samuelson
Berg	Frank	Langseth	Morse	Schmitz
Berglin	Frederick	Lantry	Novak	Spear
Bernhagen	Frederickson, D.J.	Larson	Pariseau	Storm
Bertram	Frederickson, D.R.	Lessard	Pehler	Stumpf
Brandl	Freeman	Luther	Peterson, R.W.	Vickerman
Chmielewski	Gustafson	Marty	Piepho	Waldorf
Cohen	Hughes	McGowan	Piper	
Dahl	Johnson, D.E.	McQuaid	Pogemiller	

The motion prevailed. So the resolution was adopted.

Messrs. Moe, R.D. and Benson introduced—

Senate Resolution No. 142: A Senate resolution relating to expenses of interns.

BE IT RESOLVED, by the Senate of the State of Minnesota:

For the 1990 session of the 76th Legislature, each member of the Senate may be reimbursed for the cost of meals and transportation furnished by the member to any volunteer interns assisting with the member's work, up to a maximum of \$35 during each week the Legislature is in session.

Requests for reimbursement must be submitted to the Secretary of the Senate monthly on forms provided for this purpose and must include a certification by the member that the amounts for which reimbursement is sought have been paid to the interns.

The Secretary of the Senate shall prepare and issue warrants for payment of intern expenses from the Senate legislative expense fund.

Mr. Moe, R.D. moved the adoption of the foregoing resolution.

The question was taken on the adoption of the foregoing resolution.

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

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Frank	Langseth	Novak	Spear
Berglin	Frederick	Lantry	Pariseau	Storm
Bernhagen	Frederickson, D.J.	Larson	Pehler	Stumpf
Bertram	Frederickson, D.R.	Luther	Peterson, R. W.	Vickerman
Brandl	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

The motion prevailed. So the resolution was adopted.

Messrs. Moe, R.D. and Benson introduced—

Senate Resolution No. 143: A Senate resolution relating to the schedule of standing committee meetings.

BE IT RESOLVED, by the Senate of the State of Minnesota:

That Senate Resolution No. 4, relating to the schedule of standing committee meetings, Senate Permanent Journal pages 10-11, be amended as follows:

TUESDAY

Add:

Elections and Ethics	Hughes	328	8866	107 Noon-2 P.M.
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WEDNESDAY

Delete:

Elections and Ethics	Hughes	328	8866	107 11:30-1 P.M.
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Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Messrs. Moe, R.D. and Benson introduced—

Senate Resolution No. 144: A Senate resolution providing for Senate committee assignments.

BE IT RESOLVED, by the Senate of the State of Minnesota:

That Senate Resolution No. 3, relating to standing committees of the Senate for the 76th session, Senate Permanent Journal pages 6-10, be amended as follows:

Agriculture and Rural Development - ~~45~~ 14

Delete: Freeman

Commerce - ~~17~~ 16

Delete: Peterson, D.C. and Taylor

Add: Larson

Education - ~~24~~ 20

Delete: Peterson, D.C.

Elections and Ethics - 12

Delete: Peterson, D.C.

Add: Pogemiller

Finance - 30

Delete: Taylor

Add: Laidig

Governmental Operations - 13

Delete: Taylor

Add: Piepho

Judiciary - 17

Delete: Peterson, D.C.

Add: Freeman

Local and Urban Government - 11

Delete: Olson

Add: Piepho

Rules and Administration - 31

Delete: Taylor

Add: Knaak

Taxes and Tax Laws - ~~25~~ 24

Delete: Laidig and Peterson, D.C.

Add: Olson

Veterans and Military Affairs - 11

Delete: Larson

Add: Piepho

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Pogemiller; Moe, R.D.; Mrs. Lantry and Mr. Laidig introduced—

S.F. No. 1666: A bill for an act relating to judges; providing for the manner of filling vacancies in the office of judge and on the workers' compensation court of appeals; proposing coding for new law as Minnesota Statutes, chapter 480B.

Referred to the Committee on Judiciary.

Messrs. Frederick, Anderson, Storm, Mehrkens and Johnson, D.E. introduced—

S.F. No. 1667: A bill for an act relating to transportation; establishing transportation right-of-way account for funding various rights-of-way in Minnesota.

Referred to the Committee on Transportation.

Mr. Larson, Mrs. McQuaid, Ms. Olson, Messrs. Ramstad and McGowan introduced—

S.F. No. 1668: A bill for an act relating to retirement; repealing pension increases for Minnesota legislators; repealing Laws 1989, chapter 319, article 16.

Referred to the Committee on Governmental Operations.

Messrs. Storm, Ramstad and McGowan introduced—

S.F. No. 1669: A resolution memorializing the Congress of the United States to enact legislation proposing to the states an amendment to the United States Constitution that permits the United States and the several states to prohibit the desecration of the American flag.

Referred to the Committee on General Legislation and Public Gaming.

Messrs. Luther, Ramstad, Ms. Olson, Messrs. Samuelson and Novak introduced—

S.F. No. 1670: A bill for an act relating to natural resources; prohibiting transportation of Eurasian milfoil; providing exceptions; proposing coding for new law in Minnesota Statutes, chapter 18.

Referred to the Committee on Environment and Natural Resources.

Mr. Belanger introduced—

S.F. No. 1671: A bill for an act relating to traffic regulations; increasing criminal and civil penalties for littering highways; amending Minnesota Statutes 1988, sections 169.42, subdivision 5; and 169.421, subdivision 4.

Referred to the Committee on Transportation.

Ms. Olson, Messrs. Renneke, Luther, Larson and Decker introduced—

S.F. No. 1672: A bill for an act relating to watercraft; authorizing suspension of licenses for transporting certain aquatic weeds; proposing coding for new law in Minnesota Statutes, chapter 361.

Referred to the Committee on Environment and Natural Resources.

Messrs. Benson, Frederick, Mrs. McQuaid, Mr. Laidig and Ms. Peterson, D.C. introduced—

S.F. No. 1673: A bill for an act relating to traffic regulations; establishing an age requirement for motorcycle passengers; establishing safety requirements for passengers; amending Minnesota Statutes 1988, section 169.974, subdivision 5.

Referred to the Committee on Transportation.

Mr. Berg introduced—

S.F. No. 1674: A bill for an act relating to agriculture; providing grasshopper control; authorizing levies; appropriating money; amending Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 18; repealing Minnesota Statutes 1989 Supplement, section 18.0266.

Referred to the Committee on Agriculture and Rural Development.

Mr. Berg introduced—

S.F. No. 1675: A bill for an act relating to game and fish; authorizing the Leech Lake Band of Chippewa Indians to conduct certain types of aquiculture; directing promotion of and commercial licenses to take rough fish from Lake of the Woods; removing aquiculture restrictions in private waters if public waters are not made unhealthy; authorizing transportation of minnows by common carrier; providing restrictions for taking crayfish; amending Minnesota Statutes 1988, sections 97A.155, by adding a subdivision; 97C.501, subdivision 1; and 97C.525, by adding a subdivision; Minnesota Statutes 1989 Supplement, section 17.49, subdivision 2, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 17 and 97C.

Referred to the Committee on Environment and Natural Resources.

Messrs. Pehler and Bertram introduced—

S.F. No. 1676: A bill for an act relating to education; approving a capital loan for the Sartell school district.

Referred to the Committee on Education.

Mr. Storm introduced—

S.F. No. 1677: A bill for an act relating to retirement; Minneapolis teachers retirement fund association; extending the deadline for the payment of extended leave of absence employee contributions in certain cases.

Referred to the Committee on Governmental Operations.

Mr. Purfeerst introduced—

S.F. No. 1678: A bill for an act relating to retirement; public employees retirement association; authorizing certain members to purchase prior service credit.

Referred to the Committee on Governmental Operations.

Messrs. Marty; Morse; Moe, D.M.; Beckman and Vickerman introduced—

S.F. No. 1679: A bill for an act relating to retirement; legislators' retirement plan; removing per diem payments from the definition of salary; restoring a 20-year cap service accrual and contributions; increasing the penalty for early retirement; eliminating the five-percent augmentation rate for deferred annuities after age 55; providing for refunds of contributions

and payments in lieu of contributions; amending Minnesota Statutes 1989 Supplement, sections 3A.01, subdivisions 6a and 7; 3A.02, subdivisions 1, 1b, and 4; repealing Minnesota Statutes 1989 Supplement, section 3A.031; and Laws 1989, chapter 319, article 16, section 7.

Referred to the Committee on Governmental Operations.

Messrs. Frederickson, D.R.; Frederickson, D.J.; Davis; Berg and Larson introduced—

S.F. No. 1680: A bill for an act relating to cooperatives; providing absentee ballots are secret ballots; amending Minnesota Statutes 1989 Supplement, section 308A.635, subdivision 6.

Referred to the Committee on Judiciary.

Mr. Waldorf introduced—

S.F. No. 1681: A bill for an act relating to occupations and professions; allowing a graduate social work license to be issued without examination to an applicant who was unable to apply before the transition period ended; amending Minnesota Statutes 1988, section 148B.23, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Mr. Luther introduced—

S.F. No. 1682: A bill for an act relating to liquor; authorizing an on-sale liquor license for the Earle Brown Heritage Center.

Referred to the Committee on Commerce.

Mr. Pehler introduced—

S.F. No. 1683: A bill for an act relating to education; appropriating money for capital improvements at St. Cloud technical college; authorizing the sale of state bonds.

Referred to the Committee on Finance.

Mr. Pehler introduced—

S.F. No. 1684: A bill for an act relating to education; appropriating money for capital improvements at the St. Cloud campus of the state university system; authorizing the sale of state bonds.

Referred to the Committee on Finance.

Messrs. Pehler; Beckman; Frederickson, D.J. and Davis introduced—

S.F. No. 1685: A bill for an act relating to education; establishing programs for senior citizens to be mentors to pupils who are likely to not complete secondary school; appropriating money for grants for senior mentor programs.

Referred to the Committee on Education.

Messrs. Pehler; Peterson, R.W.; Merriam and Samuelson introduced—

S.F. No. 1686: A bill for an act relating to education; allowing area learning centers to provide programs on Saturdays; amending Minnesota Statutes 1988, section 129B.53, subdivision 3.

Referred to the Committee on Education.

Messrs. Vickerman and Moe, D.M. introduced—

S.F. No. 1687: A bill for an act relating to public employment; making employees of charitable hospitals eligible for coverage by the public employees insurance plan; amending Minnesota Statutes 1988, section 43A.316, subdivision 2.

Referred to the Committee on Governmental Operations.

Mr. Waldorf introduced—

S.F. No. 1688: A bill for an act relating to health; preventing abortions for birth control purposes; requiring informed consent for abortions; proposing coding for new law in Minnesota Statutes, chapter 145.

Referred to the Committee on Health and Human Services.

Ms. Berglin and Mr. Spear introduced—

S.F. No. 1689: A bill for an act relating to human services; establishing a program to pay health insurance premiums on behalf of persons with AIDS to enable them to continue coverage under a private health plan; proposing coding for new law in Minnesota Statutes, chapter 256.

Referred to the Committee on Health and Human Services.

Ms. Berglin introduced—

S.F. No. 1690: A bill for an act relating to corrections; changing the corrections equalization formula; amending Minnesota Statutes 1989 Supplement, section 401.10.

Referred to the Committee on Health and Human Services.

Ms. Berglin introduced—

S.F. No. 1691: A bill for an act relating to children; establishing procedures for the placement and removal of children in foster homes; proposing coding for new law in Minnesota Statutes, chapter 257.

Referred to the Committee on Health and Human Services.

Ms. Berglin introduced—

S.F. No. 1692: A bill for an act relating to public safety; conforming definition of "family or group family day care home" for purposes of fire code enforcement; abolishing nominal reimbursements for local fire chiefs; abolishing certain regulation of fire extinguishers now regulated under state fire code; abolishing regulation regarding "no smoking" signs which are regulated by state fire code; abolishing regulation regarding liquified petroleum and industrial gas containers which are regulated by state fire code and other rules; abolishing regulations relating to fire alarm deactivation

requests and notices; abolishing state licensing of, and certain regulation regarding, dry cleaning and dyeing establishments, which are also regulated by state fire code; amending Minnesota Statutes 1988, section 299F.011, subdivision 4a; repealing Minnesota Statutes 1988, sections 299F.34; 299F.36; 299F.38; 299F.40; 299F.453; 299F.454; and 299I.01 to 299I.24.

Referred to the Committee on Health and Human Services.

Ms. Berglin introduced—

S.F. No. 1693: A bill for an act relating to human services; authorizing grant funds to establish pilot project sobering stations; increasing taxes on wine and dedicating certain revenues to a sobering station project account; appropriating money; amending Minnesota Statutes 1988, section 297C.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 254A.

Referred to the Committee on Health and Human Services.

Ms. Berglin, Messrs. Brandl and Vickerman introduced—

S.F. No. 1694: A bill for an act relating to marriage dissolution; regulating child support orders; amending Minnesota Statutes 1988, section 518.551, subdivision 5.

Referred to the Committee on Health and Human Services.

Ms. Berglin and Mr. Vickerman introduced—

S.F. No. 1695: A bill for an act relating to human services; authorizing allocation of central, affiliated, or corporate costs for nursing homes; proposing coding for new law in Minnesota Statutes, chapter 256B.

Referred to the Committee on Health and Human Services.

Messrs. Solon, Gustafson, Beckman and Samuelson introduced—

S.F. No. 1696: A bill for an act relating to human services; including the commissioners of commerce and health in designing the demonstration project for uninsured low-income persons; clarifying eligibility and enrollee participation requirements for the demonstration project; amending Minnesota Statutes 1988, section 256B.73.

Referred to the Committee on Health and Human Services.

Mr. Langseth introduced—

S.F. No. 1697: A bill for an act relating to human services; establishing a pilot project for eligibility of new residents under the general assistance program; amending Minnesota Statutes 1988, section 256D.06, subdivisions 1 and 1c; Minnesota Statutes 1989 Supplement, section 256D.05, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 256D.

Referred to the Committee on Health and Human Services.

Ms. Berglin introduced—

S.F. No. 1698: A bill for an act relating to health; codifying existing law restricting construction of new hospitals; repealing a sunset; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Laws 1984, chapter 654, article 5, section 57; Laws 1987, chapter 75, sections 1 and 2; Laws 1988, chapter 689, article 2, section 238; and Laws 1989, chapter 282, article 2, section 204.

Referred to the Committee on Health and Human Services.

Mr. Bertram introduced—

S.F. No. 1699: A bill for an act relating to taxation; providing a sales tax exemption for sales of certain tree removal services; amending Minnesota Statutes 1988, section 297A.25, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Bertram introduced—

S.F. No. 1700: A bill for an act relating to education; approving a capital loan to the Pierz school district.

Referred to the Committee on Education.

Mr. Diessner introduced—

S.F. No. 1701: A bill for an act relating to taxation; providing a state-paid refund in certain cases for the difference between homestead and nonhomestead property taxes; imposing penalties; appropriating money; amending Minnesota Statutes 1988, section 273.124, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mrs. Lantry, Mr. Anderson, Ms. Berglin, Messrs. Vickerman and Solon introduced—

S.F. No. 1702: A bill for an act relating to insurance; prohibiting provider discrimination for pharmacy services; amending Minnesota Statutes 1988, section 62D.30, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 62A.

Referred to the Committee on Commerce.

Mr. Berg introduced—

S.F. No. 1703: A bill for an act relating to natural resources; authorizing the enforcement of certain natural resource laws by conservation officers; amending Minnesota Statutes 1988, section 97A.205.

Referred to the Committee on Environment and Natural Resources.

Mr. Berg introduced—

S.F. No. 1704: A bill for an act relating to natural resources; authorizing conservation officers to seek issuance of and to serve search warrants; amending Minnesota Statutes 1989 Supplement, sections 626.05, subdivision 2; and 626.13.

Referred to the Committee on Environment and Natural Resources.

Mr. Berg introduced—

S.F. No. 1705: A bill for an act relating to game and fish; requiring a trout and salmon stamp to angle for trout and salmon in certain nondesignated waters; amending Minnesota Statutes 1988, section 97C.305.

Referred to the Committee on Environment and Natural Resources.

Mr. Berg introduced—

S.F. No. 1706: A bill for an act relating to natural resources; amending certain provisions concerned with the management of wildlife; amending Minnesota Statutes 1988, sections 97A.135, by adding a subdivision; and 97A.445, by adding a subdivision; and Minnesota Statutes 1989 Supplement, section 97B.603.

Referred to the Committee on Environment and Natural Resources.

Mr. Cohen introduced—

S.F. No. 1707: A bill for an act relating to meetings of public bodies; government data practices; defining final disposition of a disciplinary action regarding personnel records; making clear that meetings may not be closed on the basis of data classification statutes; providing an exception to the open meeting law for preliminary discussions concerning allegations of misconduct against government employees; amending Minnesota Statutes 1988, sections 13.43, subdivision 2; and 471.705, by adding subdivisions.

Referred to the Committee on Judiciary.

Mr. Cohen introduced—

S.F. No. 1708: A bill for an act relating to taxation; eliminating the minimum sales ratio criteria for providing reductions in estimated market value; amending Minnesota Statutes 1989 Supplement, section 278.05, subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

Mr. Cohen introduced—

S.F. No. 1709: A bill for an act relating to taxation; providing a property tax exemption for federal land used for cottage and camp purposes; amending Minnesota Statutes Second 1989 Supplement, section 272.02, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Cohen introduced—

S.F. No. 1710: A bill for an act relating to taxation; providing homestead classification to property in which certain disabled individuals reside; amending Minnesota Statutes 1988, section 273.124, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Cohen introduced—

S.F. No. 1711: A bill for an act relating to taxation; requiring assessors to consider environmental factors when valuing property; amending Minnesota Statutes 1988, section 273.11, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Samuelson, Pehler, Vickerman and Benson introduced—

S.F. No. 1712: A bill for an act relating to human services; renewing the authority for a nursing home to choose to have the commissioner apply the cost limits that apply to facilities in a different geographic group, for purposes of setting the nursing home's payment rates; amending Minnesota Statutes 1989 Supplement, section 256B.431, subdivision 2b.

Referred to the Committee on Health and Human Services.

Mr. Samuelson introduced—

S.F. No. 1713: A bill for an act relating to natural resources; appropriating funds for the acquisition of land and development of the Paul Bunyan Trail.

Referred to the Committee on Finance. Mr. Lessard questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Stumpf and Langseth introduced—

S.F. No. 1714: A bill for an act relating to education; authorizing certain cooperating districts to qualify for sparsity aid; amending Minnesota Statutes 1989 Supplement, section 124A.22, subdivision 5.

Referred to the Committee on Education.

Messrs. Stumpf; Merriam; Pogemiller; Johnson, D.J. and Benson introduced—

S.F. No. 1715: A bill for an act relating to local government aid; modifying and extending equalization aid; amending Minnesota Statutes Second 1989 Supplement, sections 477A.011, subdivisions 1a and 25; and 477A.013, subdivision 5.

Referred to the Committee on Taxes and Tax Laws.

Mr. Frederick introduced—

S.F. No. 1716: A bill for an act relating to real property; validating deeds to real property conveyed by religious corporations and recorded before July 1, 1959; proposing coding for new law in Minnesota Statutes, chapter 315.

Referred to the Committee on Judiciary.

Messrs. DeCramer and Berg introduced—

S.F. No. 1717: A bill for an act relating to education; establishing a task force to coordinate educational opportunity on the border between Minnesota and South Dakota.

Referred to the Committee on Education.

Messrs. Davis, Berg, Purfeerst and DeCramer introduced—

S.F. No. 1718: A bill for an act relating to agriculture; appropriating money for farm and small business management programs at technical colleges.

Referred to the Committee on Agriculture and Rural Development.

Mr. Diessner introduced—

S.F. No. 1719: A bill for an act relating to health; requiring consent for an abortion for a minor to be obtained according to informed consent requirements for other health services; repealing parental consent requirements; amending Minnesota Statutes 1988, section 144.343, subdivision 3, and by adding a subdivision; repealing Minnesota Statutes 1988, section 144.343, subdivisions 2, 4, 5, 6, and 7.

Referred to the Committee on Health and Human Services.

Mr. Diessner introduced—

S.F. No. 1720: A bill for an act relating to workers' compensation; regulating employers safety practices and purchase of insurance; proposing coding for new law in Minnesota Statutes, chapters 79 and 176.

Referred to the Committee on Employment.

Mr. Diessner introduced—

S.F. No. 1721: A bill for an act relating to unemployment compensation; changing the calculation of a training allowance; amending Minnesota Statutes 1988, section 268.65, subdivision 4.

Referred to the Committee on Employment.

Ms. Reichgott introduced—

S.F. No. 1722: A bill for an act relating to real property; allowing county board to set certain fee charged to examine title under nonjudicial procedure for registration of certain possessory estates in land; amending Minnesota Statutes Second 1989 Supplement, section 508A.82.

Referred to the Committee on Judiciary.

Messrs. Davis, Berg, Vickerman and Frederickson, D.J. introduced—

S.F. No. 1723: A bill for an act relating to taxation; providing that certain vehicles purchased by governmental subdivisions are exempt from taxation; amending Minnesota Statutes 1989 Supplement, section 297B.03; and Minnesota Statutes Second 1989 Supplement, section 297A.25, subdivision 11.

Referred to the Committee on Taxes and Tax Laws.

Mr. Pehler introduced—

S.F. No. 1724: A bill for an act relating to appropriations; appropriating money to Stearns County for Wetterling investigation.

Referred to the Committee on Judiciary.

Messrs. Novak, Vickerman, Bertram, Benson and Moe, R.D. introduced—

S.F. No. 1725: A bill for an act relating to the environment; changing the collection period of the fee; changing the terms for reimbursement of petroleum tank release costs by the petroleum tank release compensation board; amending Minnesota Statutes 1988, section 115C.08, subdivision 2; and Minnesota Statutes 1989 Supplement, sections 115C.08, subdivision 5; and 115C.09, subdivision 3.

Referred to the Committee on Environment and Natural Resources.

Ms. Berglin introduced—

S.F. No. 1726: A bill for an act relating to child care funding; authorizing the commissioner of human services to promulgate rules directing county boards to establish certain payment policies; amending Minnesota Statutes 1989 Supplement, section 256H.02.

Referred to the Committee on Health and Human Services.

Messrs. Moe, R.D.; Metzen; Ramstad; Larson and Merriam introduced—

S.F. No. 1727: A bill for an act relating to education; repealing the requirement that the Minnesota state high school league conduct a two-class high school hockey championship; clarifying the status and effect of certain law; removing surplus language; amending Minnesota Statutes 1989 Supplement, section 129.121, subdivision 7.

Referred to the Committee on Education.

Mr. Samuelson introduced—

S.F. No. 1728: A bill for an act relating to human services; clarifying the distribution of state aids under the community social services act; amending Minnesota Statutes 1988, section 256E.06, subdivisions 2 and 7.

Referred to the Committee on Health and Human Services.

Messrs. Mehrkens, Frederick, Metzen, DeCramer and Mrs. Lantry introduced—

S.F. No. 1729: A bill for an act relating to traffic regulations; requiring motorists to activate vehicle lights during inclement weather conditions; amending Minnesota Statutes 1988, section 169.48.

Referred to the Committee on Transportation.

Messrs. Spear, Frederick, Solon, Luther and Belanger introduced—

S.F. No. 1730: A bill for an act relating to financial institutions; permitting interstate banking with an additional reciprocating state; amending Minnesota Statutes 1988, section 48.92, subdivision 7.

Referred to the Committee on Commerce.

Ms. Berglin introduced—

S.F. No. 1731: A bill for an act relating to human services; clarifying treatment and assessment requirements under the Minnesota comprehensive mental health acts for adults and children; amending Minnesota Statutes 1988, section 245.467, subdivision 2; Minnesota Statutes 1989 Supplement, sections 245.467, subdivision 3; 245.469; 245.4711, subdivisions 1, 2, and 3; 245.4871, subdivision 3; 245.4873, subdivision 2; 245.4876, subdivisions 2 and 3; 245.4879; 245.4881, subdivisions 1, 2, 3, and 4; 245.4882, subdivision 1; 245.4883, subdivision 1; 245.4885, subdivision 1; 245.696, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 245; repealing Minnesota Statutes 1989 Supplement, sections 245.4711, subdivisions 6, 7, and 8; and 245.4881, subdivisions 6 to 10.

Referred to the Committee on Health and Human Services.

Messrs. Marty, Frederick and Spear introduced—

S.F. No. 1732: 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 1988, section 461.12.

Referred to the Committee on Commerce.

Mr. Chmielewski introduced—

S.F. No. 1733: A bill for an act relating to metropolitan government; providing for the appointment of members of the metropolitan sports facilities commission; amending Minnesota Statutes 1988, section 473.553.

Referred to the Committee on Local and Urban Government.

Mr. Chmielewski introduced—

S.F. No. 1734: A bill for an act relating to public safety; appropriating money to commissioner of public safety for infrared search device.

Referred to the Committee on Transportation.

Mr. Chmielewski introduced—

S.F. No. 1735: A bill for an act relating to tax; property taxation; extending homestead classification to certain homesteads in estates for transitional period; amending Minnesota Statutes 1988, section 273.124, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. DeCramer and Ms. Reichgott introduced—

S.F. No. 1736: A bill for an act relating to watercraft; providing additional regulation of the use and operation of personal watercraft; amending Minnesota Statutes 1988, section 361.02, by adding subdivisions; and proposing coding for new law in Minnesota Statutes, chapter 361.

Referred to the Committee on Environment and Natural Resources.

Mr. Cohen introduced—

S.F. No. 1737: A bill for an act relating to ethnic Minnesotans; designating Ethnic American Day; proposing coding for new law in Minnesota Statutes, chapter 10.

Referred to the Committee on General Legislation and Public Gaming.

Mr. Cohen introduced—

S.F. No. 1738: A bill for an act relating to taxation; property; changing the date personal property taxes are deemed delinquent; amending Minnesota Statutes Second 1989 Supplement, section 277.01, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Cohen introduced—

S.F. No. 1739: A bill for an act relating to metropolitan government; clarifying provisions for compensation; amending Minnesota Statutes 1988, sections 473.123, subdivision 5; and 473.141, subdivision 7; Minnesota Statutes 1989 Supplement, sections 473.605, subdivision 2; and 473.704, subdivision 6.

Referred to the Committee on Local and Urban Government.

Mr. Cohen introduced—

S.F. No. 1740: A bill for an act relating to economic development; providing state assistance for employee stock ownership plans in certain instances; proposing coding for new law in Minnesota Statutes, chapter 268.

Referred to the Committee on Employment.

Mr. Spear introduced—

S.F. No. 1741: A bill for an act relating to civil actions; providing for the application of statutes of limitations to actions that involve the law of other states; enacting the uniform conflict of laws-limitations act; proposing coding for new law in Minnesota Statutes, chapter 541.

Referred to the Committee on Judiciary.

Mr. Schmitz introduced—

S.F. No. 1742: A bill for an act relating to the city of Savage; permitting the transfer of tax increments between project areas.

Referred to the Committee on Economic Development and Housing.

Messrs. Schmitz, Renneke, Purfeerst, Metzen and Mrs. Pariseau introduced—

S.F. No. 1743: A bill for an act relating to telephone service; requiring the expansion of the metropolitan extended area telephone service, under some circumstances; proposing coding for new law in Minnesota Statutes, chapter 237.

Referred to the Committee on Public Utilities and Energy.

Mr. Schmitz introduced—

S.F. No. 1744: A bill for an act relating to capital improvements; providing funds for wetlands acquisition in the city of Savage; authorizing sale of state bonds; appropriating money.

Referred to the Committee on Environment and Natural Resources.

Mr. Spear and Ms. Reichgott introduced—

S.F. No. 1745: A bill for an act relating to children; regulating child custody and visitation in dissolution and other proceedings; amending Minnesota Statutes 1988, sections 257.025; 257.541, subdivision 2; 518.003, subdivision 3, and by adding a subdivision; 518.156; 518.619; and 518.64, subdivision 2.

Referred to the Committee on Judiciary.

Mr. Ramstad introduced—

S.F. No. 1746: A bill for an act relating to retirement; repealing pension increases for Minnesota legislators; repealing Laws 1989, chapter 319, article 16.

Referred to the Committee on Governmental Operations.

Mr. Ramstad and Ms. Berglin introduced—

S.F. No. 1747: A bill for an act relating to human services; increasing the maximum amount of care per child in a drop-in child care program; amending Minnesota Statutes 1989 Supplement, section 245A.02, subdivision 6a.

Referred to the Committee on Health and Human Services.

Mr. Ramstad introduced—

S.F. No. 1748: A bill for an act relating to human services; creating a temporary exception to the moratorium on increases in bed capacity in existing intermediate care facilities for persons with mental retardation.

Referred to the Committee on Health and Human Services.

Messrs. Bertram and Pehler introduced—

S.F. No. 1749: A bill for an act relating to appropriations; appropriating money for a grant to cover costs of the investigation of the Jacob Wetterling kidnapping.

Referred to the Committee on Judiciary.

Messrs. Stumpf, Davis and Moe, R.D. introduced—

S.F. No. 1750: A bill for an act relating to agriculture; extending the farmer-lender mediation act; appropriating money; amending Laws 1986, chapter 398, article 1, section 18, as amended.

Referred to the Committee on Agriculture and Rural Development.

Mr. Pehler introduced—

S.F. No. 1751: A bill for an act relating to public safety; regulating amusement rides; requiring safety inspections of amusement rides; providing penalties; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 184B.

Referred to the Committee on Employment.

Mr. Pehler introduced—

S.F. No. 1752: A bill for an act relating to railroads; establishing standard for abandonment of tracks; clarifying standard for abandonment of shops, terminals, and stations; amending Minnesota Statutes 1988, sections 219.681; 219.71; and 219.85.

Referred to the Committee on Transportation.

Messrs. Merriam; Peterson, R.W. and Knaak introduced—

S.F. No. 1753: A bill for an act relating to privacy; providing for a cause of action for invasion of privacy; proposing coding for new law as Minnesota Statutes, chapter 554.

Referred to the Committee on Judiciary.

Mr. Lessard introduced—

S.F. No. 1754: A bill for an act relating to intoxicating liquor; restrictions on issuance of off-sale and combination licenses within unorganized territory in certain counties; amending Minnesota Statutes 1988, section 340A.405, subdivision 2.

Referred to the Committee on Commerce.

Mr. Lessard introduced—

S.F. No. 1755: A bill for an act relating to taxation; providing that county levies to pay the cost of ambulance service within a subordinate service district are exempt from levy limits; amending Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5.

Referred to the Committee on Taxes and Tax Laws.

Mr. Lessard introduced—

S.F. No. 1756: A bill for an act relating to appropriations; providing a refund of a bond allocation deposit; appropriating money.

Referred to the Committee on Economic Development and Housing.

Mr. Peterson, R.W. introduced—

S.F. No. 1757: A bill for an act relating to real estate; validating certain cancellation of contracts; providing for the effect of dissolution on joint tenancy; permitting the filing of summaries of dissolution judgments in real estate filings; amending Minnesota Statutes 1988, section 500.19, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 518 and 559; repealing Minnesota Statutes 1988, section 580.031.

Referred to the Committee on Judiciary.

Mr. Samuelson, Ms. Berglin, Messrs. Solon and Moe, D.M. introduced—

S.F. No. 1758: A bill for an act relating to health; requiring the licensing of wholesale drug distributors; providing penalties; appropriating money; amending Minnesota Statutes 1988, sections 151.06, subdivision 1; and 151.25; proposing coding for new law in Minnesota Statutes, chapter 151.

Referred to the Committee on Health and Human Services.

Messrs. Spear, Freeman, Marty and Stumpf introduced—

S.F. No. 1759: A bill for an act relating to controlled substances; allowing prosecution in any county of controlled substance offenses involving sales of amounts aggregated over a 90-day period; providing that cocaine base is weighed as a mixture for purposes of first, second, and third degree controlled substance crimes; prohibiting the importing of controlled substances into the state; requiring the reporting of transactions involving substances that are precursors to controlled substances; defining controlled substances for purposes of reporting prenatal exposure to controlled substances; requiring adoption of day-fine systems by each judicial district; creating pilot programs to require drug and alcohol testing as a condition of probation; creating pilot programs to provide chemical dependency treatment services in juvenile and adult jails and correctional facilities; creating pilot programs to require chemical dependency assessments for drug offenders; appropriating money; amending Minnesota Statutes 1988, sections 609.135, by adding a subdivision; and 631.40; Minnesota Statutes 1989 Supplement, sections 152.021; 152.022; 152.023, subdivision 2; 152.028, subdivision 2, and by adding a subdivision; 626.556, subdivision 2; 626.5561, subdivisions 3, 4, and by adding a subdivision; and 626.5562, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 152 and 299A.

Referred to the Committee on Judiciary.

Ms. Reichgott and Mr. Frank introduced—

S.F. No. 1760: A bill for an act relating to tax increment financing; imposing certain requirements and limitations on the use of increment financing; amending Minnesota Statutes 1988, sections 177.42, subdivision 2; 469.129, subdivision 2; 469.174, subdivision 2; 469.175, by adding a subdivision; 469.176, subdivision 4, and by adding a subdivision; and 469.178, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 469.175, subdivision 4; and 469.176, subdivision 4c; Minnesota Statutes Second 1989 Supplement, sections 469.174, subdivision 10; and 469.175, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 469.

Referred to the Committee on Economic Development and Housing.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 2:55 p.m. The motion prevailed.

The hour of 2:55 p.m. having arrived, the President called the Senate to

order.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:55 a.m., Tuesday, February 13, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTIETH DAY

St. Paul, Minnesota, Tuesday, February 13, 1990

The Senate met at 9:55 a.m. and was called to order by the President.

CALL OF THE SENATE

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

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

Adkins	Decker	Knaak	Merriam	Ramstad
Beckman	DeCramer	Knutson	Metzen	Reichgott
Belanger	Dicklich	Kroening	Moe, D.M.	Renneke
Benson	Diessner	Laidig	Moe, R.D.	Samuelson
Berg	Frank	Langseth	Morse	Schmitz
Berglin	Frederick	Lantry	Novak	Solon
Bernhagen	Frederickson, D.J.	Lessard	Pariseau	Spear
Bertram	Frederickson, D.R.	Luther	Pehler	Stumpf
Brandl	Freeman	Marty	Piepho	Vickerman
Chmielewski	Hughes	McGowan	Piper	
Cohen	Johnson, D.E.	McQuaid	Pogemiller	
Dahl	Johnson, D.J.	Mehrkens	Purfeerst	

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Davis; Gustafson; Larson; Peterson, R.W.; Mrs. McQuaid and Ms. Olson were excused from the Session of today.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Thursday, February 15, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-FIRST DAY

St. Paul, Minnesota, Thursday, February 15, 1990

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

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Stephen Adrian.

OATH OF OFFICE

The newly elected Senator, Ms. Carol Flynn from the Sixty-first District, presented her certificate of election and subscribed to the oath of office as administered by the Honorable Rosalie Wahl, Associate Justice of the Supreme Court.

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

Adkins	Decker	Johnson, D.J.	Merriam	Reichgott
Anderson	DeCramer	Knutson	Metzen	Renneke
Beckman	Dicklich	Kroening	Moe, D.M.	Samuelson
Belanger	Diessner	Laidig	Moe, R.D.	Solon
Benson	Flynn	Langseth	Morse	Spear
Berg	Frank	Lantry	Olson	Storm
Berglin	Frederick	Larson	Pariseau	Stumpf
Bernhagen	Frederickson, D.J.	Lessard	Pehler	Vickerman
Bertram	Frederickson, D.R.	Luther	Peterson, R. W.	Waldorf
Brandl	Freeman	Marty	Piepho	
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Ramstad	

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Davis, Knaak, Novak, Purfeerst, Schmitz and Mrs. Brataas were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

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

June 30, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Carol Connolly, 504 Selby Ave., St. Paul, Ramsey County, has been appointed by me, effective June 27, 1989, for a term expiring June 30, 1995.

(Referred to the Committee on General Legislation and Public Gaming.)

June 30, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Marilyn A. Rose, 2500 Fernwood, Roseville, Ramsey County, has been appointed by me, effective June 27, 1989, for a term expiring June 30, 1995.

(Referred to the Committee on General Legislation and Public Gaming.)

June 30, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Ralph Strangis, 1117 Marquette Ave., Minneapolis, Hennepin County, has been appointed by me, effective June 27, 1989, for a term expiring June 30, 1995.

(Referred to the Committee on General Legislation and Public Gaming.)

Sincerely,
Rudy Perpich, Governor

MOTIONS AND RESOLUTIONS

Mr. Berg moved that the names of Messrs. Frederickson, D.R.; Larson; Frederickson, D.J. and Vickerman be added as co-authors to S.F. No. 1674. The motion prevailed.

Mr. Berg moved that the names of Messrs. Frederickson, D.R.; Moe, R.D. and Bernhagen be added as co-authors to S.F. No. 1675. The motion prevailed.

Mr. Purfeerst moved that the name of Mr. Vickerman be added as a co-author to S.F. No. 1678. The motion prevailed.

Mr. Pehler moved that the name of Mr. Bertram be added as a co-author to S.F. No. 1683. The motion prevailed.

Mr. Pehler moved that the name of Mr. Bertram be added as a co-author to S.F. No. 1684. The motion prevailed.

Mr. Waldorf moved that the names of Messrs. Bertram and Beckman be added as co-authors to S.F. No. 1688. The motion prevailed.

Ms. Berglin moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1691. The motion prevailed.

Mr. Solon moved that the name of Mr. Johnson, D.J. be added as a co-author to S.F. No. 1696. The motion prevailed.

Mr. Langseth moved that the names of Messrs. Davis and Vickerman be added as co-authors to S.F. No. 1697. The motion prevailed.

Mr. Samuelson moved that the name of Mr. Dicklich be added as a co-author to S.F. No. 1728. The motion prevailed.

Mr. Marty moved that the names of Ms. Piper and Mr. Pehler be added as co-authors to S.F. No. 1732. The motion prevailed.

Mr. DeCramer moved that his name be stricken as chief author, shown as a co-author and the name of Ms. Reichgott be shown as chief author to S.F. No. 1736. The motion prevailed.

Mr. Cohen moved that the name of Mr. Schmitz be added as a co-author to S.F. No. 1739. The motion prevailed.

Mr. Merriam moved that the name of Mr. Marty be added as a co-author to S.F. No. 1753. The motion prevailed.

Mr. Spear moved that the name of Mr. Luther be added as a co-author to S.F. No. 1759. The motion prevailed.

Mr. DeCramer moved that S.F. No. 874 be withdrawn from the Committee on Governmental Operations and returned to its author. The motion prevailed.

Mrs. Adkins introduced—

Senate Resolution No. 145: A Senate resolution proclaiming November 1 to 7, 1989, as the first Minnesota Health Care Food Service Week.

Referred to the Committee on Rules and Administration.

Messrs. Moe, R.D. and Benson introduced—

Senate Resolution No. 146: A Senate resolution providing for Senate committee assignments.

BE IT RESOLVED, by the Senate of the State of Minnesota:

That Senate Resolution No. 3, relating to standing committees of the Senate for the 76th session, Senate Permanent Journal pages 6-10, as amended by Senate Resolution No. 144, Daily Journal page 6170, be amended as follows:

Commerce - 16 17

Add: Flynn

Education - ~~20~~ 21

Add: Flynn

Health and Human Services -~~15~~ 16

Add: Flynn

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Davis introduced—

S.F. No. 1761: A bill for an act relating to local government; authorizing certain towns to contribute to economic development organizations.

Referred to the Committee on Economic Development and Housing.

Mr. Pehler introduced—

S.F. No. 1762: A bill for an act relating to emergency planning; expanding the membership of the emergency response commission; amending Minnesota Statutes 1989 Supplement, section 299K.03, subdivision 3.

Referred to the Committee on Governmental Operations.

Messrs. Diessner and Frank introduced—

S.F. No. 1763: A bill for an act relating to taxation; exempting building materials used to build a county correctional facility; amending Minnesota Statutes 1988, section 297A.15, by adding a subdivision; Minnesota Statutes Second 1989 Supplement, section 297A.25, subdivision 11.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Schmitz, Marty, Metzen, Mmes. Pariseau and Adkins introduced—

S.F. No. 1764: A bill for an act relating to metropolitan government; regulating compensation of metropolitan council and commission members; amending Minnesota Statutes 1988, section 473.141, subdivision 7.

Referred to the Committee on Local and Urban Government.

Messrs. Merriam, DeCramer, Morse, Frank and Mrs. Pariseau introduced—

S.F. No. 1765: A bill for an act relating to housing; providing a first option to purchase to residents of a manufactured home park; authorizing homestead treatment of a manufactured home park owned by its residents; authorizing the Minnesota housing finance agency to provide manufactured home park financing; amending Minnesota Statutes 1988, sections 273.124, by adding subdivisions; and 462A.05, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 327C.

Referred to the Committee on Economic Development and Housing.

Messrs. Marty and Moe, D.M. introduced—

S.F. No. 1766: A bill for an act relating to public employees; regulating affirmative action in state and metropolitan government; amending Minnesota Statutes 1988, sections 43A.191, subdivision 2; and 473.143, subdivision 2.

Referred to the Committee on Governmental Operations.

Mrs. Pariseau, Messrs. Metzen, Schmitz and Mehrkens introduced—

S.F. No. 1767: A bill for an act relating to education; approving a maximum effort school loan program capital loan.

Referred to the Committee on Education.

Messrs. Spear, Samuelson, Solon, Dahl and Anderson introduced—

S.F. No. 1768: A bill for an act relating to financial institutions; regulating electronic fund transfer facilities; providing for access by other transmission facilities; amending Minnesota Statutes 1988, section 47.65, subdivision 1.

Referred to the Committee on Commerce.

Mrs. Lantry, Messrs. Marty, Frank, Ms. Piper and Mr. Kroening introduced—

S.F. No. 1769: A bill for an act relating to employment; raising the minimum wage; amending Minnesota Statutes 1988, section 177.24, subdivision 1.

Referred to the Committee on Employment.

Mr. Cohen introduced—

S.F. No. 1770: A bill for an act relating to consumer protection; regulating membership travel contracts; providing a right to cancel; prescribing penalties; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325G.

Referred to the Committee on Commerce.

Mr. Diessner introduced—

S.F. No. 1771: A bill for an act relating to real estate; regulating cancellation of contract for deed; amending Minnesota Statutes 1988, section 559.21, by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Stumpf introduced—

S.F. No. 1772: A bill for an act relating to natural resources; establishing Lake of the Woods state forest; amending Minnesota Statutes 1988, section 89.021, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Mr. Stumpf introduced—

S.F. No. 1773: A bill for an act relating to human services; authorizing special property rates for certain nursing homes; extending the construction commencement deadline for certain facilities that have been granted exceptions to the nursing home moratorium; amending Minnesota Statutes 1989 Supplement, section 256B.431, subdivision 3g.

Referred to the Committee on Health and Human Services.

Messrs. Diessner, Chmielewski, Ms. Piper, Messrs. Moe, R.D. and Gustafson introduced—

S.F. No. 1774: A bill for an act relating to labor; providing for safety awards by the commissioner of labor and industry; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 182.

Referred to the Committee on Employment.

Mr. Schmitz, Ms. Piper, Messrs. DeCramer and Purfeerst introduced—

S.F. No. 1775: A bill for an act relating to motor vehicles; allowing tax-exempt license plates for vehicles used for driver education programs at nonpublic high schools; amending Minnesota Statutes 1989 Supplement, section 168.012, subdivision 1.

Referred to the Committee on Transportation.

Mr. Gustafson introduced—

S.F. No. 1776: A bill for an act relating to motor vehicles; authorizing refund of registration tax paid when ownership is transferred; amending Minnesota Statutes 1988, section 168.16.

Referred to the Committee on Transportation.

Mrs. Lantry, Messrs. Moe, D.M.; Marty; Cohen and Knaak introduced—

S.F. No. 1777: A bill for an act relating to Ramsey county; setting the terms of charter commission members; amending Minnesota Statutes 1988, section 383A.553, subdivision 1.

Referred to the Committee on Local and Urban Government.

Messrs. Solon, Luther, Samuelson, Cohen and Frederick introduced—

S.F. No. 1778: A bill for an act relating to insurance; creating and regulating the life and health insurance guaranty association; prescribing its powers and duties; providing general supervisory duties to the commissioner of commerce; amending Minnesota Statutes 1988, section 60B.25; proposing coding for new law in Minnesota Statutes, chapter 61B; repealing Minnesota Statutes 1988, sections 61B.01; 61B.02; 61B.03, subdivisions 1 to 5 and 7 to 14; 61B.04; 61B.05; 61B.06; 61B.07; 61B.08; 61B.09; 61B.10; 61B.11; 61B.12; 61B.13; 61B.14; 61B.15; and 61B.16; and Minnesota Statutes 1989 Supplement, section 61B.03, subdivision 6.

Referred to the Committee on Commerce.

Messrs. Davis; Berg; Vickerman; Frederickson, D.R. and Beckman introduced—

S.F. No. 1779: A bill for an act relating to agriculture; providing for mediation and arbitration of certain contract disputes; providing for recapture of capital investments required by certain agricultural contracts; clarifying responsibility of parent companies for affiliates; requiring good faith; prohibiting unfair practices; creating an ombudsman and a task force; proposing coding for new law in Minnesota Statutes, chapter 17.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Purfeerst, Schmitz, Frederick, Pehler and Davis introduced—

S.F. No. 1780: A bill for an act relating to taxation; providing that certain federal retirement annuity payments are exempt from taxation; amending Minnesota Statutes 1989 Supplement, section 290.01, subdivision 19b; and Minnesota Statutes Second 1989 Supplement, section 290.0802, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes and Tax Laws.

Mr. Mehrkens introduced—

S.F. No. 1781: A bill for an act relating to human services; creating an exception to the deadline for receiving hospital-attached nursing home rates for the rate year beginning July 1, 1989; amending Minnesota Statutes 1989 Supplement, section 256B.431, subdivision 2j.

Referred to the Committee on Health and Human Services.

Messrs. Renneke and DeCramer introduced—

S.F. No. 1782: A bill for an act relating to education; increasing the appropriation for cooperation and combination aid; amending Laws 1989, chapter 329, article 6, section 53, subdivision 3.

Referred to the Committee on Education.

Messrs. Renneke and DeCramer introduced—

S.F. No. 1783: A bill for an act relating to education; allowing certain school districts to change education districts; amending Minnesota Statutes 1989 Supplement, section 122.91, subdivision 5.

Referred to the Committee on Education.

Messrs. Dahl, Marty, Kroening, Mrs. McQuaid and Mr. Merriam introduced—

S.F. No. 1784: A bill for an act relating to waste; prohibiting the placement of certain dry cell batteries in mixed municipal solid waste; requiring labeling of certain batteries by electrode content; establishing maximum content levels of mercury in batteries; requiring that batteries in certain consumer products be easily removable; providing penalties; proposing coding for new law in Minnesota Statutes, chapters 115A and 325E.

Referred to the Committee on Environment and Natural Resources.

Messrs. Knaak, Benson, Knutson and Larson introduced—

S.F. No. 1785: A bill for an act proposing alternative amendments to the Minnesota Constitution, article I; prohibiting abortions except to save the woman's life or in cases of rape or incest; in the alternative, allowing abortions during the six months after conception.

Referred to the Committee on Health and Human Services.

Mr. Novak introduced—

S.F. No. 1786: A bill for an act relating to retirement; changing the effective date of a provision governing surviving spouse benefits from the public employees retirement association; amending Laws 1989, chapter 319, article 17, section 18.

Referred to the Committee on Governmental Operations.

Messrs. Pehler and Peterson, R.W. introduced—

S.F. No. 1787: A bill for an act relating to education; modifying the maximum effort school aid law capital loan program; authorizing the issuance of state bonds; appropriating money; proposing coding for new law in chapter 124; repealing Minnesota Statutes 1988, section 124.43, subdivisions 2, 3, 4, 5, and 6; and Minnesota Statutes 1989 Supplement, section 124.43, subdivision 1.

Referred to the Committee on Education.

Mr. Marty introduced—

S.F. No. 1788: 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.

Referred to the Committee on Governmental Operations.

Mr. Vickerman, Mrs. Lantry, Messrs. Chmielewski, Brandl and Benson introduced—

S.F. No. 1789: A bill for an act relating to health; defining the term practitioner for the purpose of dispensing medicines and drugs; prohibiting the dispensing of legend drugs for profit by anyone other than a pharmacist; amending Minnesota Statutes 1988, section 151.37, subdivision 2.

Referred to the Committee on Health and Human Services.

Mr. Solon introduced—

S.F. No. 1790: A bill for an act relating to health; establishing a legislative task force to study the regulation of health insurance premium rates and health care costs.

Referred to the Committee on Commerce.

Mr. Solon introduced—

S.F. No. 1791: A bill for an act relating to education; establishing Students' Day; proposing coding for new law in Minnesota Statutes, chapters 126 and 135A.

Referred to the Committee on Education.

Messrs. Dahl and Solon introduced—

S.F. No. 1792: A bill for an act relating to occupations and professions; requiring residential building contractors, remodelers, and specialty contractors to be licensed by the state; authorizing rulemaking; establishing a builders state advisory board; requiring penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 326.

Referred to the Committee on Commerce.

Messrs. DeCramer, Beckman, Mrs. Pariseau, Ms. Berglin and Mr. Samuelson introduced—

S.F. No. 1793: A bill for an act relating to health; establishing a nursing degree completion scholarship program; providing for funding through a licensing surcharge; proposing coding for new law in Minnesota Statutes, chapter 148.

Referred to the Committee on Education.

Messrs. Metzen, Bertram, Mrs. Pariseau, Messrs. Lessard and Schmitz introduced—

S.F. No. 1794: A bill for an act relating to veterans; redefining the term "veteran"; amending Minnesota Statutes 1988, section 197.447.

Referred to the Committee on Veterans and Military Affairs.

Mrs. Lantry and Mr. Solon introduced—

S.F. No. 1795: A bill for an act relating to commerce; requiring seating furniture in public occupancies to meet flammability and labeling standards; proposing coding for new law in Minnesota Statutes, chapter 299F.

Referred to the Committee on Commerce.

Mr. Cohen introduced—

S.F. No. 1796: A bill for an act relating to retirement; public employees retirement association; restoring certain preconsolidation St. Paul bureau of health relief association service credit.

Referred to the Committee on Governmental Operations.

Messrs. Gustafson, Knaak and Larson introduced—

S.F. No. 1797: A bill for an act relating to taxation; providing an income and property tax refund return checkoff for the support of public libraries; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes and Tax Laws.

Mses. Piper, Berglin, Messrs. Brandl; Moe, R.D. and Anderson introduced—

S.F. No. 1798: A bill for an act relating to health; providing limited prescription privileges for physician assistants; amending Minnesota Statutes 1988, section 151.37, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Mr. Waldorf introduced—

S.F. No. 1799: A bill for an act relating to higher education; authorizing an appropriation for a parking deck at Moorhead State University to be used to acquire land and construct parking spaces.

Referred to the Committee on Finance.

Mr. Langseth introduced—

S.F. No. 1800: A bill for an act relating to courts; providing for a pilot project in Clay county using mediation services for child custody and visitation issues; appropriating money.

Referred to the Committee on Judiciary.

Messrs. Samuelson, Diessner, Vickerman, Solon and Benson introduced—

S.F. No. 1801: A bill for an act relating to human services; requiring continued capacity to serve persons with developmental disabilities in regional treatment centers; requiring notice to the parent or guardian before discharge of a resident with mental retardation from a regional treatment center; allowing the parent or guardian to object; amending Minnesota Statutes 1989 Supplement, sections 252.025, subdivision 4; and 252.038, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 252.

Referred to the Committee on Health and Human Services.

Mr. Chmielewski, Mmes. Adkins, Lantry and Mr. Knutson introduced—

S.F. No. 1802: A bill for an act relating to human services; requiring continued capacity to serve persons with developmental disabilities in regional treatment centers; requiring notice to the parent or guardian before discharge of a resident with mental retardation from a regional treatment center; allowing the parent or guardian to object; amending Minnesota Statutes 1989 Supplement, sections 252.025, subdivision 4; and 252.038, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 252.

Referred to the Committee on Health and Human Services.

Mr. Novak introduced—

S.F. No. 1803: A bill for an act relating to education; making area learning center programs available on Saturday; providing for payment of general education aid; amending Minnesota Statutes 1988, sections 124A.036, by adding a subdivision; 126.12, subdivision 2; and 129B.53, subdivision 3.

Referred to the Committee on Education.

Mr. Beckman, Mrs. Lantry, Messrs. Schmitz and Samuelson introduced—

S.F. No. 1804: A bill for an act relating to the state capitol; providing for location of a bust of Walter Mondale in the state capitol; proposing coding for new law in Minnesota Statutes, chapter 138.

Referred to the Committee on Governmental Operations.

Mr. Frank, Mrs. Lantry, Mr. Dicklich, Mrs. Adkins and Mr. Kroening introduced—

S.F. No. 1805: A bill for an act relating to employment; regulating employee inventions; amending Minnesota Statutes 1988, section 181.78, by adding a subdivision.

Referred to the Committee on Employment.

Messrs. Purfeerst, DeCramer, Samuelson, Bertram and Renneke introduced—

S.F. No. 1806: A bill for an act relating to transportation; exempting volunteer drivers of private passenger vehicles from certain passenger service rules of the commissioner of transportation; amending Minnesota Statutes 1989 Supplement, section 221.031, subdivision 3a.

Referred to the Committee on Transportation.

Messrs. Freeman, Ramstad, Pogemiller, Merriam and Johnson, D.J. introduced—

S.F. No. 1807: A bill for an act relating to Hennepin county; permitting the issuance of obligations by the county board for a public safety building.

Referred to the Committee on Local and Urban Government.

Messrs. Pehler, Samuelson, Mrs. Adkins and Mr. Bertram introduced—

S.F. No. 1808: A bill for an act relating to libraries; authorizing a regional library system to allocate levy authority for libraries; changing certain levy limits; amending Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 134.

Referred to the Committee on Education.

Mr. Hughes introduced—

S.F. No. 1809: A bill for an act relating to education; allowing the board of teaching to grant variances to its rules in certain cases; amending Minnesota Statutes 1988, section 125.185, by adding a subdivision.

Referred to the Committee on Education.

Mr. Hughes introduced—

S.F. No. 1810: A bill for an act relating to dogs; requiring certain persons to cooperate with health and law enforcement officials investigating dog bites; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 347.

Referred to the Committee on General Legislation and Public Gaming.

Mr. Cohen introduced—

S.F. No. 1811: A bill for an act relating to crimes; prohibiting persons from interfering with access to medical facilities; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Judiciary.

Ms. Berglin introduced—

S.F. No. 1812: A bill for an act relating to human services; establishing limits for nursing home plant and maintenance expenses; authorizing the adjustment of nursing home appraised values to reflect costs of new physical plant mandates; creating a deferred cost adjustment to nursing home operating costs; amending Minnesota Statutes 1988, section 256B.431, subdivision 3c, and by adding subdivisions.

Referred to the Committee on Health and Human Services.

Ms. Berglin introduced—

S.F. No. 1813: A bill for an act relating to human services; amending the Medicare certification requirement for nursing homes; amending Minnesota Statutes 1989 Supplement, section 256B.48, subdivision 6.

Referred to the Committee on Health and Human Services.

Mrs. Pariseau, Messrs. Johnson, D.E. and Moe, R.D. introduced—

S.F. No. 1814: A bill for an act relating to state historic sites; authorizing sale of state bonds; appropriating money for the William G. LeDuc House.

Referred to the Committee on Finance.

Mmes. Pariseau, McQuaid, Mr. Lessard and Mrs. Adkins introduced—

S.F. No. 1815: A bill for an act relating to the city of Apple Valley; permitting the establishment of special service districts.

Referred to the Committee on Local and Urban Government.

Mrs. Pariseau, Messrs. Schmitz, Metzen, Vickerman and Mehrkens introduced—

S.F. No. 1816: A bill for an act relating to cemeteries; appropriating money for a fence around the cemetery at the veterans home in Hastings.

Referred to the Committee on Transportation.

Mr. Luther and Mrs. McQuaid introduced—

S.F. No. 1817: A bill for an act relating to insurance; homeowners; regulating nonrenewal plans; amending Minnesota Statutes 1989 Supplement, section 65A.29, subdivision 11.

Referred to the Committee on Commerce.

Mr. Samuelson introduced—

S.F. No. 1818: A bill for an act relating to identification cards; removing from Minnesota identification cards language reflecting senior citizen status of card holders and distinguishing cards from driver's licenses; amending Minnesota Statutes 1988, section 171.07, subdivision 3a; and Minnesota Statutes 1989 Supplement, section 171.07, subdivision 3.

Referred to the Committee on Transportation.

Mr. Samuelson introduced—

S.F. No. 1819: A bill for an act relating to transportation; extending exemption from motor vehicle fuel tax to transit systems contracted for by cities and towns; amending Minnesota Statutes 1988, sections 296.02, subdivision 1a; and 296.025, subdivision 1a.

Referred to the Committee on Transportation.

Messrs. Vickerman; Schmitz; Peterson, R. W.; Renneke and Frederickson, D.R. introduced—

S.F. No. 1820: A bill for an act relating to counties; permitting a county board to assign certain duties; proposing coding for new law in Minnesota Statutes, chapter 373.

Referred to the Committee on Local and Urban Government.

Mmes. Lantry, Pariseau, Messrs. Vickerman, Brandl and Ms. Piper introduced—

S.F. No. 1821: A bill for an act relating to nursing; allowing nurse practitioners to prescribe and administer drugs and therapeutic devices; amending Minnesota Statutes 1989 Supplement, section 148.171.

Referred to the Committee on Health and Human Services.

Messrs. Frank, Beckman, Kroening, McGowan and Bernhagen introduced—

S.F. No. 1822: A bill for an act relating to housing; providing for the administration of section 8 existing housing and low-rent public housing programs; clarifying and limiting local approval requirements; removing the exemption for special assessments for housing and redevelopment authorities; providing for the transfer of housing and housing development projects to an economic development authority; amending Minnesota Statutes 1988, sections 469.002, subdivision 10, and by adding a subdivision; 469.004, subdivision 5; 469.005, subdivision 1; 469.012, subdivision 3; 469.016; 469.040, subdivisions 1 and 3; 469.094, subdivisions 1 and 2; and 473.195, subdivision 1; and Minnesota Statutes 1989 Supplement, section 469.012, subdivision 1.

Referred to the Committee on Economic Development and Housing.

Messrs. Moe, D.M. and Moe, R.D. introduced—

S.F. No. 1823: A bill for an act relating to the capitol area; providing for a Roy Wilkins memorial in the capitol area; appropriating money.

Referred to the Committee on Governmental Operations.

Mr. Metzen introduced—

S.F. No. 1824: A bill for an act relating to Dakota county; authorizing the Dakota county board to establish a juvenile diversion program and a chemical abuse prevention program; proposing coding for new law in Minnesota Statutes, chapter 383D.

Referred to the Committee on Health and Human Services.

Mr. Metzen introduced—

S.F. No. 1825: A bill for an act relating to chemical abuse prevention; appropriating money for a variety of chemical abuse prevention programs.

Referred to the Committee on Health and Human Services.

Messrs. Merriam and Lessard introduced—

S.F. No. 1826: A bill for an act relating to the environment; approving permits for the consumptive use of groundwater at the Seneca wastewater treatment plant.

Referred to the Committee on Environment and Natural Resources.

Ms. Reichgott, Messrs. Luther, Spear, Knaak and Merriam introduced—

S.F. No. 1827: A bill for an act relating to civil actions; addressing reduction of damages in an action under no-fault automobile insurance; clarifying the execution of a state agency lien for medical assistance in a civil case; preserving common law tort law claims against adults who knowingly provide alcoholic beverages to minors; changing the standard for awarding punitive damages; addressing when a principal may be held liable for punitive damages for an act of the principal's agent; requiring a separate trial to address punitive damages; requiring the court to review a punitive damages award; making the contributory negligence rule apply to damages resulting from economic loss; redefining fault; abolishing the doctrine of last clear chance; repealing the limit on intangible loss damages and the requirement that a jury specify amounts for past, future, and intangible loss damages; amending Minnesota Statutes 1988, sections 65B.51, subdivision 1; 256B.042, subdivision 5; 340A.801, by adding a subdivision; 541.051, subdivision 1; 548.36, subdivision 3; 549.20, subdivisions 1, 2, and by adding subdivisions; 604.01, subdivisions 1, 1a, and 3; repealing Minnesota Statutes 1988, sections 549.23 and 549.24.

Referred to the Committee on Judiciary.

Ms. Berglin and Mr. Waldorf introduced—

S.F. No. 1828: A bill for an act relating to human services; allowing an increase to the property rates for a limited period; establishing a capital replacement fund for nursing homes; providing for a phase-up and extending grandfather status for property costs of certain nursing homes; amending Minnesota Statutes 1988, section 256B.431, by adding a subdivision; and Minnesota Statutes 1989 Supplement, section 256B.431, subdivision 3f.

Referred to the Committee on Health and Human Services.

Mr. Waldorf introduced—

S.F. No. 1829: A bill for an act relating to human services; requiring proposals for decreasing the size of intermediate care facilities for persons with mental retardation; amending Minnesota Statutes 1989 Supplement, section 256B.092, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 252.

Referred to the Committee on Health and Human Services.

Mr. Mehrkens introduced—

S.F. No. 1830: A bill for an act relating to education; providing for the use of average fund balances by cooperating districts in certain instances; amending Minnesota Statutes 1989 Supplement, section 122.541, subdivision 2.

Referred to the Committee on Education.

Mr. Vickerman introduced—

S.F. No. 1831: A bill for an act relating to human services; requiring duplication, contradiction, and archaic language in laws, rules, and regulations governing human services to be reduced or eliminated; requiring one state agency to administer each service; requiring technical assistance, fiscal responsibility, and interpretative guidelines for all regulatory standards; and establishing a legislative commission on regulatory reduction; proposing coding for new law in Minnesota Statutes, chapter 245A.

Referred to the Committee on Health and Human Services.

Messrs. Samuelson, Vickerman, Solon and Chmielewski introduced—

S.F. No. 1832: A bill for an act relating to health; health maintenance organizations; providing coverage for chiropractic care; amending Minnesota Statutes 1988, sections 62D.02, subdivision 7; 62D.102; and 62D.12, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Mr. Diessner introduced—

S.F. No. 1833: A bill for an act relating to health; establishing in the department of health a program of financial aid and counseling assistance for certain pregnant women; allowing the recovery of assistance paid under some circumstances; prohibiting performance of an elective termination of a pregnancy in the absence of a certificate verifying that notice of the financial aid and counseling program was given to the woman before her

pregnancy termination; appropriating money; amending Minnesota Statutes 1988, section 144.343, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 144 and 145.

Referred to the Committee on Health and Human Services.

Ms. Berglin introduced—

S.F. No. 1834: A bill for an act relating to health; modifying medical assistance coverage of abortion services; appropriating money; amending Minnesota Statutes 1988, section 256B.0625, subdivision 16.

Referred to the Committee on Health and Human Services.

Messrs. Freeman, Merriam, Samuelson, Ms. Berglin and Mr. Renneke introduced—

S.F. No. 1835: A bill for an act relating to health; requiring insurers to provide medical malpractice insurance premium discounts to qualifying physicians; requiring the commissioner of health to purchase vaccine for resale to medical providers at discounted prices; declaring the goal of the legislature to achieve full funding for the WIC program by 1993; establishing additional responsibilities of the commissioner of health relating to the WIC program; requiring the commissioner of human services to seek federal approval to eliminate eligibility redeterminations for certain pregnant women and infants; expanding eligibility for the children's health plan to include certain pregnant women and children up to age six; increasing medical assistance income limits for pregnant women and children up to age seven; increasing payment rates for prenatal care and delivery services; requiring a plan to improve utilization rates for prenatal care and preventive care for children; expanding the prenatal care media outreach campaign; requiring the boards of medical examiners and nursing to report on complaints relating to obstetrics, gynecology, prenatal care, and delivery; appropriating money; amending Minnesota Statutes 1988, sections 214.07, subdivision 1, and by adding a subdivision; and 256.936, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 145.894; 256.936, subdivision 1; 256B.04, subdivision 17; and 256B.057, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 60A and 144.

Referred to the Committee on Health and Human Services.

Messrs. Frederick, Benson, Piepho and Decker introduced—

S.F. No. 1836: A bill for an act proposing an amendment to the Minnesota Constitution, article XIV; dedicating proceeds of a tax on the purchase price of a motor vehicle to highway and transit purposes.

Referred to the Committee on Transportation.

Mr. Knaak introduced—

S.F. No. 1837: A bill for an act relating to retirement; public employees retirement association; authorizing the purchase of credit for prior service for a medical leave period.

Referred to the Committee on Governmental Operations.

Ms. Berglin introduced—

S.F. No. 1838: A bill for an act relating to health; requiring a surcharge fee for hearing instrument sellers; requiring permit systems and ethical codes for occupations regulated by a health-related board; allowing cease and desist orders against a person violating occupation regulations; requiring positive results from a toxicology test of a pregnant woman or infant to be recorded on the birth certificate or fetal death report; amending Minnesota Statutes 1988, sections 214.001, subdivision 3; and 214.11; Minnesota Statutes 1989 Supplement, sections 144.698, subdivision 1; 214.06, subdivision 1; and 626.5562, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 153A.

Referred to the Committee on Health and Human Services.

Ms. Berglin introduced—

S.F. No. 1839: A bill for an act relating to human services; authorizing adjustments to the appraised value of a certified nursing facility to reflect costs of complying with physical plant mandates; amending Minnesota Statutes 1988, section 256B.431, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Messrs. Davis, Vickerman, Berg and Bernhagen introduced—

S.F. No. 1840: A bill for an act relating to the environment; amending provisions for environmental assessment worksheets and environmental impact statements for municipal wastewater treatment facilities; proposing coding for new law in Minnesota Statutes, chapter 116.

Referred to the Committee on Environment and Natural Resources.

Messrs. Davis, Chmielewski, DeCramer and Laidig introduced—

S.F. No. 1841: A bill for an act relating to Mille Lacs Indian Reservation; providing for the retrocession to the United States of America of criminal jurisdiction over Indians on the Mille Lacs Indian Reservation in Minnesota.

Referred to the Committee on Judiciary.

Messrs. Diessner and Brandl introduced—

S.F. No. 1842: A bill for an act relating to the legislature; providing for a performance budgeting system applicable to bills containing appropriations; amending Minnesota Statutes 1988, section 3.885, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Mr. Marty, Ms. Berglin and Mr. Spear introduced—

S.F. No. 1843: A bill for an act relating to crimes; permitting individuals to request that the department of public safety not release the individual's residential address to the public; permitting individuals to designate a mailing address for purposes of the department's public records; increasing penalties for certain acts of harassment; authorizing courts to issue orders to restrain acts of harassment; amending Minnesota Statutes 1988, section

171.12, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 168 and 609.

Referred to the Committee on Judiciary.

Messrs. Peterson, R.W. and Morse introduced—

S.F. No. 1844: A bill for an act relating to education; making permanent the deadline for teacher contracts and aid penalty; amending Minnesota Statutes 1989 Supplement, section 124A.22, subdivision 2a.

Referred to the Committee on Education.

Ms. Reichgott introduced—

S.F. No. 1845: A bill for an act relating to human services; including mental injuries and threatened injuries as abuse to be reported as maltreatment of minors; amending Minnesota Statutes 1988, section 626.556, subdivision 3; Minnesota Statutes 1989 Supplement, section 626.556, subdivisions 2 and 10e.

Referred to the Committee on Judiciary.

Ms. Reichgott introduced—

S.F. No. 1846: A bill for an act relating to family law; providing for suspension of visitation rights when a noncustodial parent has been convicted of certain crimes; requiring expedited hearings of visitation motions alleging that a child is in danger of harm and providing for supervised or restricted visitation; providing for the issuance of no contact orders; amending Minnesota Statutes 1988, sections 518.175, by adding a subdivision; and 518B.01, subdivisions 6 and 7; Minnesota Statutes 1989 Supplement, section 518.175, subdivision 5.

Referred to the Committee on Judiciary.

Ms. Reichgott introduced—

S.F. No. 1847: A bill for an act relating to human rights; amending definitions of public accommodation, age, and familial status; clarifying medical information obtainable from prospective employees; clarifying protection for pregnant employees; prohibiting threats against home owners and renters; adding familial status as a protected class in employment; prohibiting discriminatory business practices; clarifying the meaning of business necessity and continuing violations; renumbering definitions; amending Minnesota Statutes 1988, sections 363.01, subdivisions 18 and 28; 363.03, subdivisions 2, 8a, and by adding a subdivision; 363.06, subdivision 1, and by adding a subdivision; 363.11; and 363.116; Minnesota Statutes 1989 Supplement, sections 363.01, subdivision 31; 363.02, subdivision 1; and 363.03, subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Morse, Kroening, Frank and Bernhagen introduced—

S.F. No. 1848: A bill for an act relating to housing; authorizing guarantees, requiring limits, and regulating securities relating to certain home loans; amending Minnesota Statutes 1988, sections 462A.21, subdivision 9; and 475.66, subdivision 3; Minnesota Statutes 1989 Supplement, sections

462A.05, subdivision 34; and 462A.057, subdivision 7; and Laws 1989, chapter 335, article 1, section 27, subdivision 1.

Referred to the Committee on Economic Development and Housing.

Messrs. Brandl; Frederickson, D.J.; Ms. Reichgott, Messrs. DeCramer and Knaak introduced—

S.F. No. 1849: A bill for an act relating to education; creating a task force to assist in developing and reviewing materials that help young people make decisions about responsible sexual behavior; appropriating money.

Referred to the Committee on Education.

Messrs. Pogemiller, Morse, Frank and Bernhagen introduced—

S.F. No. 1850: A bill for an act relating to housing; establishing a procedure for the allocation of low-income housing tax credits; amending Minnesota Statutes 1988, sections 462A.221, by adding subdivisions; 462A.222, subdivisions 2, 3, and by adding a subdivision; and 462A.223, subdivision 2.

Referred to the Committee on Economic Development and Housing.

Mr. Pehler introduced—

S.F. No. 1851: A bill for an act relating to the military; authorizing appointment of an executive director of the department of military affairs; amending Minnesota Statutes 1988, section 190.08, by adding a subdivision.

Referred to the Committee on Veterans and Military Affairs.

Messrs. Pogemiller; Moe, R.D.; Benson; Mrs. Lantry and Ms. Olson introduced—

S.F. No. 1852: A bill for an act relating to judges; providing for the manner of filling vacancies in the office of judge; proposing coding for new law as Minnesota Statutes, chapter 480B.

Referred to the Committee on Judiciary.

Ms. Reichgott, Mrs. Lantry and Mr. Samuelson introduced—

S.F. No. 1853: A bill for an act relating to lawful gambling; expanding definition of contraband; extending deadline for inventory of seized contraband; authorizing seizing authorities to use proceeds from forfeited contraband; prohibiting possession or sale of unregistered video pull-tab devices; prohibiting altered or counterfeit gambling equipment and possession thereof; prohibiting organizations from accepting checks for gambling equipment or chances; requiring posting of penalties for receiving cash on video games of chance; subjecting illegally used gambling equipment to forfeiture; providing penalties; amending Minnesota Statutes 1988, sections 349.2125, subdivision 4; 349.2127, by adding a subdivision; and 609.762, subdivision 1; Minnesota Statutes 1989 Supplement, sections 349.2125, subdivisions 1 and 3; 349.2127, subdivision 2; 349.22, subdivisions 1 and 3; 349.501, subdivision 1; 349.502, subdivision 1; and 609.76, subdivision 1.

Referred to the Committee on General Legislation and Public Gaming.

Messrs. Peterson, R.W.; Knaak and Merriam introduced—

S.F. No. 1854: A bill for an act relating to government data practices; establishing procedures for computerized comparisons of data; requiring matching agreements; providing for contesting of data; requiring reviews and reports; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 13B.

Referred to the Committee on Judiciary.

Messrs. Ramstad, McGowan, Benson and Storm introduced—

S.F. No. 1855: A bill for an act relating to taxation; income and franchise; providing a checkoff for drug abuse resistance education grants; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Judiciary.

Messrs. Ramstad, Benson, Knaak and Belanger introduced—

S.F. No. 1856: A bill for an act relating to controlled substances; clarifying and increasing penalties for controlled substance offenses; allowing prosecution in any county of controlled substance offenses involving sales of amounts aggregated over a 90-day period; providing that cocaine base is weighed as a mixture for purposes of first, second, and third degree controlled substance crimes; requiring mandatory incarceration for first time drug offenders; increasing mandatory minimum penalties for repeat drug offenders; amending Minnesota Statutes 1989 Supplement, sections 152.021; 152.022; 152.023, subdivisions 2 and 3; 152.024, subdivisions 2 and 3; 152.025, subdivisions 1 and 3; and 244.05, subdivision 4.

Referred to the Committee on Judiciary.

Messrs. Ramstad, Benson, McGowan and Storm introduced—

S.F. No. 1857: A bill for an act relating to crimes; permitting shock incarceration sentences of six months duration for certain nonviolent offenders; requiring the sentencing guidelines commission to establish shock incarceration guidelines; establishing a shock incarceration program under the administration of the commissioner of corrections; requiring the commissioner to establish correctional camps and adopt rules governing shock incarceration programs; amending Minnesota Statutes 1988, sections 244.01, subdivision 1; and 609.105; and Minnesota Statutes 1989 Supplement, sections 244.04, subdivision 1; and 609.115, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 244 and 609.

Referred to the Committee on Judiciary.

Messrs. Knaak, McGowan, Ramstad, Storm and Belanger introduced—

S.F. No. 1858: A bill for an act relating to crimes; requiring the sentencing guidelines commission to increase weight assigned prior convictions for certain offenders.

Referred to the Committee on Judiciary.

Messrs. McGowan, Benson, Belanger and Storm introduced—

S.F. No. 1859: A bill for an act relating to crimes; increasing the penalty for a dangerous weapon offense to a felony; amending Minnesota Statutes 1988, section 609.66, subdivision 1.

Referred to the Committee on Judiciary.

Ms. Reichgott, Messrs. Spear and Marty introduced—

S.F. No. 1860: A bill for an act relating to domestic abuse; improving prosecutorial procedures in domestic abuse cases; requiring the commissioner of public safety to study the feasibility and costs of a statewide computerized data base on domestic abuse; appropriating money; amending Minnesota Statutes 1988, section 611A.0315, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 611A and 629.

Referred to the Committee on Judiciary.

Mr. Chmielewski introduced—

S.F. No. 1861: A bill for an act relating to Indian affairs; adding the chair of the advisory council on urban Indians to the Indian affairs council as a voting member; amending Minnesota Statutes 1988, section 3.922, subdivision 1.

Referred to the Committee on Governmental Operations.

Mr. Chmielewski introduced—

S.F. No. 1862: A bill for an act relating to unemployment compensation; appropriating federal money received for unemployment compensation administration.

Referred to the Committee on Employment.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 2:00 p.m., Monday, February 19, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-SECOND DAY

St. Paul, Minnesota, Monday, February 19, 1990

The Senate met at 2:00 p.m. and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Milan Ingman.

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

Adkins	Dahl	Johnson, D.J.	Mehrkens	Purfeerst
Anderson	Davis	Knaak	Merriam	Ramstad
Beckman	Decker	Knutson	Metzen	Reichgott
Belanger	DeCramer	Kroening	Moe, D.M.	Renneke
Benson	Flynn	Laidig	Moe, R.D.	Samuelson
Berg	Frank	Langseth	Morse	Schmitz
Berglin	Frederick	Lantry	Novak	Solon
Bernhagen	Frederickson, D.J.	Larson	Pariseau	Spear
Bertram	Frederickson, D.R.	Lessard	Pehler	Storm
Brandl	Freeman	Luther	Peterson, R.W.	Stumpf
Brataas	Gustafson	Marty	Piepho	Vickerman
Chmielewski	Hughes	McGowan	Piper	Waldorf
Cohen	Johnson, D.E.	McQuaid	Pogemiller	

The President declared a quorum present.

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

MEMBERS EXCUSED

Ms. Olson and Mr. Diessner were excused from the Session of today.

REPORTS OF COMMITTEES

Mr. Luther moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1695: A bill for an act relating to human services; authorizing allocation of central, affiliated, or corporate costs for nursing homes; proposing coding for new law in Minnesota Statutes, chapter 256B.

Reports the same back with the recommendation that the bill be amended

as follows:

Page 1, lines 18 and 23, delete “*management*”

Page 1, line 20, delete “*otherwise*”

Page 2, line 21, delete “*primary*”

Page 2, line 24, before “*long-term*” insert “*nonrelated*”

Page 2, line 25, delete “*There*”

Page 2, delete line 26 and insert:

“(c) “*Long-term care facility*” means a nursing home whose medical assistance rates are determined according to section 256B.431 or an intermediate care facility for persons with mental retardation and related conditions whose medical assistance rates are determined according to section 256B.501.”

Page 2, line 27, delete “COSTS AFTER JULY 1, 1990” and insert “EFFECTIVE DATE”

Page 2, line 29, delete “*apply*” and insert “*must be used when determining medical assistance rates under sections 256B.431 and 256B.501*”

Page 2, line 30, delete “COSTS DIRECTLY IDENTIFIED WITH” and insert “DIRECT IDENTIFICATION OF COSTS OF LONG-TERM CARE FACILITIES”

Page 2, line 31, delete “FACILITY”

Page 2, line 35, delete “*assigned*” and insert “*allocated*”

Page 3, line 1, delete “OF OTHER COSTS” and insert “; DIRECT IDENTIFICATION OF COSTS TO OTHER ACTIVITIES”

Page 3, line 3, delete “*assigned*” and insert “*allocated*”

Page 3, line 13, before “*allocation*” insert “*numerator for the*”

Page 3, line 16, after “*organizations*” insert “*or are controlled by a central, affiliated, or corporate office*”

Page 3, line 24, delete “*activity or function*” and insert “*non-long-term care related organizations*”

Page 3, after line 35, insert:

“(c) *The denominator for the allocation ratio is the sum of the numerators in paragraph (b), clauses (1) to (4).*”

Page 3, line 36, delete “ALLOCATION OF COSTS OF OUT-OF-STATE” and insert “COST ALLOCATION BETWEEN LONG-TERM CARE”

Page 4, line 9, after “*costs*” insert “*identified in paragraph (a)*”

Page 4, delete section 2

Amend the title as follows:

Page 1, line 4, after “*homes*” insert “*and intermediate care facilities for persons with mental retardation and related conditions*”

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1694: A bill for an act relating to marriage dissolution; regulating child support orders; amending Minnesota Statutes 1988, section 518.551, subdivision 5.

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1696: A bill for an act relating to human services; including the commissioners of commerce and health in designing the demonstration project for uninsured low-income persons; clarifying eligibility and enrollee participation requirements for the demonstration project; amending Minnesota Statutes 1988, section 256B.73.

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

Page 3, line 6, delete "*a waiver*" and insert "*waivers*"

Page 3, line 7, delete "*allows*" and insert "*allow*" and after "*excluded*" insert "*or limited*"

Page 4, line 10, strike "DEMONSTRATION PROVIDER" and insert "COALITION"

Page 4, line 11, after "the" insert "*coalition to administer and direct the demonstration project and to select and retain the*"

Page 4, line 36, after "until" insert "*any required*"

Page 5, line 1, strike "regulation" and insert "*regulations*"

Page 5, line 4, delete "*This*" and after "*section*" insert "*l*"

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

SECOND READING OF SENATE BILLS

S.F. Nos. 1695, 1694 and 1696 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Decker moved that the name of Mr. Anderson be added as a co-author to S.F. No. 1207. The motion prevailed.

Mr. Storm moved that the name of Mr. Piepho be added as a co-author to S.F. No. 1669. The motion prevailed.

Mr. Berg moved that the name of Mr. Benson be added as a co-author to S.F. No. 1675. The motion prevailed.

Ms. Berglin moved that the name of Ms. Piper be added as a co-author to S.F. No. 1691. The motion prevailed.

Ms. Berglin moved that the name of Ms. Piper be added as a co-author to S.F. No. 1692. The motion prevailed.

Ms. Berglin moved that the name of Ms. Piper be added as a co-author to S.F. No. 1693. The motion prevailed.

Ms. Berglin moved that the name of Ms. Piper be added as a co-author to S.F. No. 1694. The motion prevailed.

Ms. Berglin moved that the name of Ms. Piper be added as a co-author to S.F. No. 1695. The motion prevailed.

Ms. Berglin moved that the name of Ms. Piper be added as a co-author to S.F. No. 1726. The motion prevailed.

Ms. Berglin moved that the name of Ms. Piper be added as a co-author to S.F. No. 1731. The motion prevailed.

Mr. Pehler moved that the name of Mr. Marty be added as a co-author to S.F. No. 1751. The motion prevailed.

Mr. Pehler moved that the names of Messrs. Purfeerst, Lessard, Stumpf and Johnson, D.E. be added as co-authors to S.F. No. 1752. The motion prevailed.

Mr. Cohen moved that the name of Mrs. Lantry be added as a co-author to S.F. No. 1770. The motion prevailed.

Mr. Beckman moved that the name of Ms. Piper be added as a co-author to S.F. No. 1804. The motion prevailed.

Mr. Vickerman moved that the name of Ms. Piper be added as a co-author to S.F. No. 1831. The motion prevailed.

Mr. Marty moved that the name of Ms. Piper be added as a co-author to S.F. No. 1843. The motion prevailed.

Mr. Peterson, R.W. moved that his name be stricken as chief author, shown as a co-author and the name of Mr. Morse be shown as chief author to S.F. No. 1844. The motion prevailed.

Ms. Reichgott moved that the name of Ms. Piper be added as a co-author to S.F. No. 1846. The motion prevailed.

Ms. Reichgott moved that the name of Ms. Piper be added as a co-author to S.F. No. 1847. The motion prevailed.

Mr. Chmielewski moved that the name of Ms. Piper be added as a co-author to S.F. No. 1862. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Mehrkens, Bernhagen, Renneke, Frederick and Anderson introduced—

S.F. No. 1863: A bill for an act relating to education; removing the requirement of a common academic calendar in education district agreements; repealing Minnesota Statutes 1989 Supplement, section 122.94, subdivision 6.

Referred to the Committee on Education.

Mr. Piepho introduced—

S.F. No. 1864: A bill for an act relating to retirement; teachers retirement funds; providing an automatic bounce-back feature for period certain and life optional annuity recipients where the designated beneficiary predeceases the annuitant; amending Minnesota Statutes 1989 Supplement, sections 354.45, subdivision 1a; and 354A.32, subdivision 1a.

Referred to the Committee on Governmental Operations.

Ms. Berglin, Messrs. Brandl and Spear introduced—

S.F. No. 1865: A bill for an act relating to the city of Minneapolis; providing for the appointment of the director of the civilian review board; amending Laws 1969, chapter 937, section 1, subdivision 9a, as amended.

Referred to the Committee on Local and Urban Government.

Messrs. Solon; Moe, R.D.; Pehler; Johnson, D.J. and Gustafson introduced—

S.F. No. 1866: A bill for an act relating to Lake Superior; establishing an information, research, and education authority.

Referred to the Committee on Environment and Natural Resources.

Mr. Frank introduced—

S.F. No. 1867: A bill for an act relating to housing; requiring the housing finance agency to restrict funding for new single family housing under certain circumstances; proposing coding for new law in Minnesota Statutes, chapter 462A.

Referred to the Committee on Economic Development and Housing.

Messrs. Diessner, Chmielewski and Marty introduced—

S.F. No. 1868: A bill for an act relating to occupational safety and health; providing penalties for violations; proposing coding for new law in Minnesota Statutes, chapter 182; repealing Minnesota Statutes 1988, section 182.667, subdivision 2.

Referred to the Committee on Employment.

Messrs. Diessner and Marty introduced—

S.F. No. 1869: A bill for an act relating to occupational safety and health; requiring employers to prepare and implement a written program that describes how they will reduce the extent and severity of work-related injuries and illnesses; amending Minnesota Statutes 1988, section 182.653, by adding a subdivision.

Referred to the Committee on Employment.

Mrs. Lantry and Mr. Schmitz introduced—

S.F. No. 1870: A bill for an act relating to horse racing; increasing per diem rate for racing commissioners; requiring licenses for pari-mutuel clerks at county fairs; apportioning money for promotion of the breeding and racing industry; allowing administration of certain medications by

designated persons; reducing state tax withholding on pari-mutuel winnings; amending Minnesota Statutes 1988, sections 240.02, subdivision 3; 240.09, subdivision 2; 240.18; 240.24, subdivision 2; and 290.92, subdivision 27.

Referred to the Committee on General Legislation and Public Gaming.

Mr. Langseth introduced—

S.F. No. 1871: A bill for an act relating to the city of Detroit Lakes; authorizing the establishment of a detached banking facility under certain conditions.

Referred to the Committee on Commerce.

Messrs. Stumpf, Chmielewski and Langseth introduced—

S.F. No. 1872: A bill for an act relating to workers' compensation; regulating self-insurance; defining various terms; regulating certain administrative duties, powers, and procedures; regulating various benefits; amending Minnesota Statutes 1988, sections 13.79; 60B.37, subdivision 2; 60C.09, subdivision 1; 129A.05, subdivision 2; 175.171; 175.24; 175.27; 176.011, subdivisions 7a, 21, and 24; 176.102, subdivisions 3, 3a, and 4; 176.103, subdivision 3; 176.104, subdivision 1; 176.106, subdivisions 3, 7, 8, and by adding a subdivision; 176.135, subdivisions 3, 5, 6, 7, and by adding a subdivision; 176.155, subdivision 1; 176.181, subdivision 2; 176.184, subdivision 1; 176.191, subdivision 3; 176.238, subdivisions 6 and 9; 176.239, subdivisions 2, 3, and 4; 176.331; 176.351, subdivision 2a; 176.401; 176.66, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 176.421, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 176; repealing Minnesota Statutes 1988, sections 175.10; 176.021, subdivision 3a; 176.136, subdivision 3; and 176.231, subdivisions 8 and 9.

Referred to the Committee on Employment.

Messrs. Cohen and Pogemiller introduced—

S.F. No. 1873: A bill for an act relating to crime victims; providing victims of delinquent acts the right to request notice of release of juvenile offenders from juvenile correctional facilities; providing notice to sexual assault victims when a juvenile offender is released from pretrial detention; requiring that victims be informed of their right to request the withholding of public law enforcement data that identifies them; clarifying the duty of court administrators to disburse restitution payments; making certain changes to the crime victims reparations act; amending Minnesota Statutes 1988, section 611A.53, subdivision 2; Minnesota Statutes 1989 Supplement, sections 13.84, subdivision 5a; 611A.04, subdivision 2; 611A.06; 611A.52, subdivision 8; and 629.73; proposing coding for new law in Minnesota Statutes, chapter 611A.

Referred to the Committee on Judiciary.

Mr. Cohen introduced—

S.F. No. 1874: A bill for an act relating to meetings of public bodies; government data practices; defining final disposition of a disciplinary action regarding personnel records; making clear that meetings may not be closed

on the basis of data classification statutes; providing an exception to the open meeting law for preliminary discussions concerning allegations of misconduct against government employees; amending Minnesota Statutes 1988, sections 13.43, subdivision 2; and 471.705, by adding subdivisions.

Referred to the Committee on Judiciary.

Mr. Cohen introduced—

S.F. No. 1875: A bill for an act relating to crimes; redefining the open bottle law to include possessing marijuana and controlled substances in a motor vehicle; prescribing penalties; amending Minnesota Statutes 1988, sections 169.122; and 609.035; repealing Minnesota Statutes 1989 Supplement, section 152.027, subdivision 3.

Referred to the Committee on Judiciary.

Messrs. Larson; Decker; Frederickson, D.R.; Renneke and Anderson introduced—

S.F. No. 1876: A bill for an act relating to the environment; increasing the amount of reimbursement available to tank owners from the petroleum tank release cleanup fund; amending Minnesota Statutes 1989 Supplement, section 115C.09, subdivision 3.

Referred to the Committee on Environment and Natural Resources.

Messrs. Samuelson, Merriam, Lessard, Bernhagen and Benson introduced—

S.F. No. 1877: A bill for an act relating to waters; requiring notice to towns and opportunity for hearing before change in level of public waters; proposing coding for new law in Minnesota Statutes, chapter 110.

Referred to the Committee on Environment and Natural Resources.

Messrs. Bertram and Lessard introduced—

S.F. No. 1878: A bill for an act relating to commerce; requiring flags to be made from nonflammable materials or treated and maintained in a flame-resistant condition; amending Minnesota Statutes 1988, section 325F05; proposing coding for new law in Minnesota Statutes, chapter 325F.

Referred to the Committee on Commerce.

Mr. Bertram introduced—

S.F. No. 1879: A bill for an act relating to natural resources; amending a certain requirement relating to the sale of state timber; amending Minnesota Statutes 1988, section 90.101, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Messrs. Bertram and Vickerman introduced—

S.F. No. 1880: A bill for an act relating to veterans; providing for an executive director appointed by the veterans homes board; amending Minnesota Statutes 1988, section 198.004.

Referred to the Committee on Veterans and Military Affairs.

Mr. Bertram introduced—

S.F. No. 1881: A bill for an act relating to peace officers; providing death benefits to dependents of peace officers killed in the line of duty; expanding the application of activities considered to be in the line of duty; amending Minnesota Statutes 1988, section 176B.04.

Referred to the Committee on Governmental Operations.

Messrs. Bertram and Diessner introduced—

S.F. No. 1882: A bill for an act relating to veterans; redefining “veteran”; amending Minnesota Statutes 1988, section 197.447.

Referred to the Committee on Veterans and Military Affairs.

Messrs. Bertram and Diessner introduced—

S.F. No. 1883: A bill for an act relating to the national guard; providing a cash bonus to each member of the Minnesota national guard; appropriating money.

Referred to the Committee on Veterans and Military Affairs.

Messrs. Bertram, Samuelson and Diessner introduced—

S.F. No. 1884: A bill for an act relating to the national guard; allowing certain transfers of the right to tuition reimbursement; amending Minnesota Statutes 1989 Supplement, section 192.501, subdivision 2.

Referred to the Committee on Veterans and Military Affairs.

Mr. Bertram introduced—

S.F. No. 1885: A bill for an act relating to the environment; changing the collection period of the fee; changing the terms for reimbursement of petroleum tank release costs by the petroleum tank release compensation board; amending Minnesota Statutes 1988, section 115C.08, subdivision 2; and Minnesota Statutes 1989 Supplement, sections 115C.08, subdivision 5; and 115C.09, subdivision 3.

Referred to the Committee on Environment and Natural Resources.

Mr. Bertram introduced—

S.F. No. 1886: A bill for an act relating to agriculture; providing for an agronomist grazing specialist in Minnesota extension; establishing the Minnesota forage task force; appropriating money.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Anderson, Larson and Decker introduced—

S.F. No. 1887: A bill for an act relating to education; approving a maximum effort school loan program capital loan.

Referred to the Committee on Education.

Messrs. Johnson, D.J.; Lessard; Dicklich and Samuelson introduced—

S.F. No. 1888: A bill for an act relating to human services; allowing medical assistance coverage of swing bed services to continue after June 30, 1990; repealing Laws 1989, chapter 282, article 3, section 54.

Referred to the Committee on Health and Human Services.

Messrs. Moe, R.D.; Stumpf and Ms. Piper introduced—

S.F. No. 1889: A bill for an act relating to agriculture; changing the makeup of potato research and promotion councils; amending Minnesota Statutes 1988, section 17.54, subdivision 9.

Referred to the Committee on Agriculture and Rural Development.

Messrs. DeCramer, Benson, Merriam and Moe, R.D. introduced—

S.F. No. 1890: A bill for an act relating to historical interpretive centers; defining the status of Farmamerica in Waseca county.

Referred to the Committee on General Legislation and Public Gaming.

Messrs. Peterson, R.W. and Laidig introduced—

S.F. No. 1891: A bill for an act relating to trusts; changing certain trust requirements; abolishing the common law rule against perpetuities; amending Minnesota Statutes 1989 Supplement, sections 501B.09, by adding a subdivision; 501B.46; 501B.65, subdivision 2; 501B.67, subdivision 1; 501B.68; 501B.69; 501B.72, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 501B; repealing Minnesota Statutes 1988, sections 501A.01; 501A.02; 501A.03; 501A.04; and 501A.07; Minnesota Statutes 1989 Supplement, sections 501A.05; and 501A.06.

Referred to the Committee on Judiciary.

Mr. Stumpf introduced—

S.F. No. 1892: A bill for an act relating to workers' compensation; regulating the location for certain physical examinations; amending Minnesota Statutes 1988, section 176.155, subdivision 1.

Referred to the Committee on Employment.

Messrs. Dahl and Pogemiller introduced—

S.F. No. 1893: A bill for an act relating to the environment; providing for the reduction of toxic metals in packaging; providing penalties; authorizing rulemaking; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116.

Referred to the Committee on Environment and Natural Resources.

Mr. Dahl introduced—

S.F. No. 1894: A bill for an act relating to environment and natural resources; amending provisions relating to water management organizations; providing legislative commission oversight of the metropolitan water management act; providing for appointment of metropolitan watershed district managers from residents within the district; authorizing management

and financing of drainage systems under certain laws; exempting certain water planning and implementation costs in the metropolitan area from levy limits; clarifying water management purposes; authorizing counties to remove watershed district managers for just cause; authorizing a technical advisory committee; requiring watershed management organizations to prepare newsletters, annual reports, and audits; providing for preparation of watershed plans and implementation of plans; providing penalties for not implementing plans; authorizing and directing the board of water and soil resources to adopt rules; providing for appeal of plan failures; providing for requests for proposals for certain services; authorizing accumulation of levy proceeds; authorizing establishment of a special tax district in certain areas; requiring a draining system report; amending Minnesota Statutes 1988, sections 110B.28; 110B.30; 112.42, subdivision 3, and by adding a subdivision; 473.875; 473.876, by adding a subdivision; 473.877, subdivision 1; 473.878, subdivisions 1, 1a, 2, 3, 4, 8, and by adding subdivisions; 473.879, subdivision 2; 473.881; 473.882, subdivision 1; and 473.883, subdivisions 3 and 7; Minnesota Statutes 1989 Supplement, section 473.883, subdivision 6; Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 112 and 473.

Referred to the Committee on Environment and Natural Resources.

Messrs. Kroening; DeCramer; Johnson, D.E.; Pogemiller and Dicklich introduced—

S.F. No. 1895: A bill for an act relating to education; permitting special school district No. 1 to remodel the Aviation Training Center with federal funds.

Referred to the Committee on Education.

Messrs. Vickerman, Beckman, Samuelson, Mrs. Adkins and Mr. Stumpf introduced—

S.F. No. 1896: A bill for an act relating to health; providing exemptions from the infectious waste control act; requiring hospitals to accept certain infectious waste; modifying standards for ambulance drivers; requiring adoption of rules setting new standards for recertification of and upgrading to emergency care course certificates; increasing reimbursement for volunteers; exempting ambulances from vehicle license fees, registration, and excise taxes; regulating the provision of special transportation services; providing a tax credit; requiring studies; increasing medical assistance rates for ambulance services; providing funding for prehospital education, continuing education, and equipment; establishing task forces for medical directors and advisers; establishing an incentive plan for ambulance service personnel; setting plan requirements; creating a loan forgiveness program for medical students; providing nursing scholarships; creating a loan forgiveness program for advanced practice nurses; providing funding for summer medical interns; encouraging rural medical school applicants; increasing medical assistance reimbursement for certain physician services; increasing participation in the rural physicians associates program; creating a rural hospital planning and transition grant program; creating a rural hospital subsidy fund; changing requirements for swing beds; providing exemptions to the hospice licensure requirement; requiring a study of rural health

professionals; allowing counties authority to exceed levy limits; appropriating money; amending Minnesota Statutes 1988, sections 136C.04, by adding a subdivision; 144A.48, subdivision 2, and by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 116.76, subdivision 9; 116.78, by adding subdivisions; 144.562, subdivision 2; 144.804, subdivision 1; 144.809; 144.8091; 168.012, subdivision 1; 168.013, subdivision 1a; 168.33, subdivision 7; and 297B.03; Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 136A; 144; 147; 148; 174; and 290; proposing coding for new law as Minnesota Statutes, chapter 353E.

Referred to the Committee on Health and Human Services.

Mrs. Adkins, Messrs. Vickerman, Renneke, Bernhagen and Frederickson, D.J. introduced—

S.F. No. 1897: A bill for an act relating to taxation; property; clarifying employment terms of city and town assessors; amending Minnesota Statutes 1988, section 273.05, subdivision 1.

Referred to the Committee on Local and Urban Government.

Messrs. Stumpf, DeCramer, Pogemiller and Pehler introduced—

S.F. No. 1898: A bill for an act relating to education; providing for department of education initiatives; amending Minnesota Statutes 1988, sections 122.94, subdivision 5; 123.3514, subdivisions 6 and 6b; 123.9361; 123.947; and 125.231, subdivision 6; Minnesota Statutes 1989 Supplement, sections 121.912, subdivision 1b; 122.94, subdivision 6; 122.945, subdivision 2; 123.58, subdivision 4; 129.128; and 141.35; and Laws 1989, chapter 329, article 11, section 15, subdivisions 2 and 12.

Referred to the Committee on Education.

Messrs. Piepho; Moe, D.M.; Renneke; Frederickson, D.R. and Mrs. Lantry introduced—

S.F. No. 1899: A bill for an act relating to retirement; legislator's retirement plan; changing service credit for members elected to complete unexpired term; amending Minnesota Statutes 1988, section 3A.10, subdivision 2, and by adding a subdivision; Minnesota Statutes 1989 Supplement, section 3A.02, subdivision 1.

Referred to the Committee on Governmental Operations.

Mrs. Adkins, Messrs. Vickerman, Renneke, Bernhagen and Frederickson, D.J. introduced—

S.F. No. 1900: A bill for an act relating to public safety; requiring local governments to be notified of certain excavation; imposing a penalty; amending Minnesota Statutes 1988, sections 216D.01, subdivision 8; 216D.04, subdivisions 2 and 3; and 216D.06, subdivision 1.

Referred to the Committee on Transportation.

Ms. Reichgott, Messrs. Spear, Freeman, McGowan and Ramstad introduced—

S.F. No. 1901: A bill for an act relating to public safety; prohibiting constructive possession of alcohol in a private motor vehicle; expanding the definition of possession; amending Minnesota Statutes 1988, section 169.122, subdivision 2.

Referred to the Committee on Judiciary.

Mr. Morse introduced—

S.F. No. 1902: A bill for an act relating to agriculture; providing for uniformity of certain food rules with federal law; amending Minnesota Statutes 1989 Supplement, section 31.101, by adding a subdivision.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Merriam, Samuelson, Mrs. Lantry, Ms. Berglin and Mr. Knutson introduced—

S.F. No. 1903: A bill for an act relating to health; providing programs and incentives for persons to volunteer as bone marrow donors; requiring the commissioner of health to educate residents about the need for volunteer bone marrow donors; requiring paid leave for employees to donate bone marrow; allowing a tax credit to employers who develop tissue typing programs for employees; providing that certain contributions qualify as a charitable contribution for purposes of the corporate franchise tax; requiring a bone marrow donor drive to encourage state employees to volunteer as bone marrow donors; appropriating money; amending Minnesota Statutes 1988, sections 290.06, by adding a subdivision; and 290.21, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 145 and 181.

Referred to the Committee on Health and Human Services.

Mr. Novak introduced—

S.F. No. 1904: A bill for an act relating to taxation; real property; extending class 4c property tax treatment to certain property financed by a local government unit loan; amending Minnesota Statutes Second 1989 Supplement, section 273.13, subdivision 25.

Referred to the Committee on Taxes and Tax Laws.

Mr. Spear and Ms. Piper introduced—

S.F. No. 1905: A bill for an act relating to human services; clarifying the definition of mentally retarded person in the Minnesota Commitment Act; amending Minnesota Statutes 1988, section 253B.02, subdivision 14.

Referred to the Committee on Judiciary.

Mr. Stumpf and Mrs. Lantry introduced—

S.F. No. 1906: A bill for an act relating to crime victims; making the crime victim ombudsman accountable to the commissioner of public safety; clarifying that certain juvenile records are available to the ombudsman; amending Minnesota Statutes 1988, sections 611A.71, subdivision 6;

611A.74, subdivisions 1 and 3; and 611A.75.

Referred to the Committee on Judiciary.

Mrs. Pariseau, Messrs. Bernhagen, Lessard, Merriam and Ms. Olson introduced—

S.F. No. 1907: A bill for an act relating to environment; setting fees based on performance for motor vehicle emissions inspections in the metropolitan area; amending Minnesota Statutes 1988, sections 116.64; and 116.65, subdivision 2.

Referred to the Committee on Environment and Natural Resources.

Mr. Bertram introduced—

S.F. No. 1908: A bill for an act relating to education; authorizing the state board of education to extend a capital loan deadline; amending Minnesota Statutes 1989 Supplement, section 124.43, subdivision 1.

Referred to the Committee on Education.

Mr. Bertram introduced—

S.F. No. 1909: A bill for an act relating to newspapers; changing filing requirements for qualification as a legal newspaper.

Referred to the Committee on Judiciary.

Messrs. Pehler, Mehrkens, Brandl, Pogemiller and Ms. Flynn introduced—

S.F. No. 1910: A bill for an act relating to education; increasing the membership of the board of the Minnesota academic excellence foundation; clarifying the status of in-kind goods and services; increasing the staff of the foundation; appropriating money; amending Minnesota Statutes 1989 Supplement, section 121.612, subdivisions 3 and 5; and Laws 1989, chapter 329, article 11, section 15, subdivision 12.

Referred to the Committee on Education.

Ms. Berglin introduced—

S.F. No. 1911: A bill for an act relating to health; requiring health plans to provide a certain level of benefits to chronically ill/technology dependent persons; proposing coding for new law in Minnesota Statutes, chapter 62A.

Referred to the Committee on Commerce.

Mr. Spear, Ms. Flynn, Messrs. Pogemiller and Dahl introduced—

S.F. No. 1912: A bill for an act relating to waters; legislative approval to continue to provide water from the Mississippi River to the Chain of Lakes and Minnehaha Creek by the Minneapolis park and recreation board.

Referred to the Committee on Environment and Natural Resources.

Messrs. DeCramer; Peterson, R. W.; Stumpf; Mehrkens and Benson introduced—

S.F. No. 1913: A bill for an act relating to education; removing the common calendar requirement for school districts that are members of an education district; repealing Minnesota Statutes 1989 Supplement, section 122.94, subdivision 6.

Referred to the Committee on Education.

Mses. Piper, Berglin and Mr. Samuelson introduced—

S.F. No. 1914: A bill for an act relating to human services; amending the human services licensing act; requiring a study of employees who are new to the type of work done by the program; allowing contested case hearings under the reporting laws for maltreatment of minors and vulnerable adults; amending Minnesota Statutes 1988, sections 626.556, by adding a subdivision; 626.557, by adding a subdivision; and Minnesota Statutes 1989 Supplement, section 245A.04, subdivision 3.

Referred to the Committee on Health and Human Services.

Ms. Piper, Mr. Hughes, Mrs. Lantry, Messrs. Moe, D.M. and Freeman introduced—

S.F. No. 1915: A bill for an act relating to children; establishing a board to plan, coordinate, and oversee early childhood development programs and services; requiring local area planning councils to be established; establishing a technical advisory committee; proposing coding for new law as Minnesota Statutes, chapter 129D; repealing Minnesota Statutes 1989 Supplement, section 256H.25.

Referred to the Committee on Education.

Mr. Langseth introduced—

S.F. No. 1916: A bill for an act relating to public safety; making it a crime for a driver to flee a peace officer from another state into Minnesota; authorizing a peace officer of another state to enter Minnesota in fresh pursuit for misdemeanor offenses; authorizing the results of blood tests administered in another state into evidence at Minnesota civil and criminal trials; amending Minnesota Statutes 1988, section 609.487, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 626 and 634.

Referred to the Committee on Judiciary.

Messrs. Marty and Luther introduced—

S.F. No. 1917: A bill for an act relating to courts; providing an alternative dispute resolution pilot project in the second judicial district; amending Minnesota Statutes 1989 Supplement, section 484.74, subdivision 4.

Referred to the Committee on Judiciary.

Messrs. Vickerman and Bertram introduced—

S.F. No. 1918: A bill for an act relating to veterans; exempting the veterans homes board from the contested case provisions of the administrative procedure act; amending Minnesota Statutes 1988, section 14.03, subdivision

2.

Referred to the Committee on Governmental Operations.

Messrs. Vickerman; Frederickson, D.J. and Beckman introduced—

S.F. No. 1919: A bill for an act relating to the environment; changing the terms for reimbursement of petroleum tank release costs by the petroleum tank release compensation board; amending Minnesota Statutes 1989 Supplement, section 115C.09, subdivision 3.

Referred to the Committee on Environment and Natural Resources.

Messrs. Hughes; Morse; Johnson, D.E. and Mrs. McQuaid introduced—

S.F. No. 1920: A bill for an act relating to elections; making various changes in laws applicable to school district elections; amending Minnesota Statutes 1988, sections 201.071, subdivision 3; 203B.08, subdivision 3; 204B.08, subdivision 3; 204B.14, subdivision 5; 204B.17; 204B.44; 204C.22, subdivisions 9, 10, 15, and by adding a subdivision; 204D.04, subdivision 2; 205A.05, subdivision 1; 205A.07, by adding a subdivision; 205A.09, subdivision 2; 205A.11; 209.02, subdivision 1; 209.03; 209.09, subdivision 1; and 211A.01, subdivision 6; and Minnesota Statutes 1989 Supplement, sections 205A.10, subdivisions 2 and 3; and 209.021, subdivision 1.

Referred to the Committee on Elections and Ethics.

Mr. Chmielewski introduced—

S.F. No. 1921: A bill for an act relating to taxation; property; extending homestead classification to certain homesteads in estates for transitional period; amending Minnesota Statutes 1988, section 273.124, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Solon, Purfeerst, Belanger and Kroening introduced—

S.F. No. 1922: A bill for an act relating to commerce; exempting credit unions from certain requirements for closing agents; amending Minnesota Statutes 1989 Supplement, section 82.20, subdivision 15.

Referred to the Committee on Commerce.

Messrs. Metzen, Solon, Purfeerst, Larson and Frederick introduced—

S.F. No. 1923: A bill for an act relating to consumer protection; limiting the locations in which sales of tobacco by vending machine may be made; proposing coding for new law in Minnesota Statutes, chapter 325E.

Referred to the Committee on Commerce.

Messrs. Diessner and Chmielewski introduced—

S.F. No. 1924: A bill for an act relating to workers' compensation; providing for rapid assessment of certain employee injuries; amending Minnesota Statutes 1988, sections 176.102, by adding a subdivision; and 176.231,

by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 176.

Referred to the Committee on Employment.

Mr. Dahl introduced—

S.F. No. 1925: A bill for an act relating to the environment; changing certain requirements for municipal wastewater treatment grants; amending Minnesota Statutes 1988, sections 116.18, subdivision 3c; 446A.07, subdivision 2; and Minnesota Statutes 1989 Supplement, section 116.16, subdivisions 2 and 5.

Referred to the Committee on Environment and Natural Resources.

Messrs. Stumpf; Pehler; Dahl; Johnson, D.E. and Decker introduced—

S.F. No. 1926: A bill for an act relating to education; changing names of state board and state director of vocational technical education and local directors of technical colleges; amending Minnesota Statutes 1988, section 136C.02, subdivisions 4 and 5.

Referred to the Committee on Education.

Messrs. DeCramer, Pehler, Dahl, Ms. Olson and Mr. Decker introduced—

S.F. No. 1927: A bill for an act relating to education; changing state board of vocational technical education powers; amending Minnesota Statutes 1988, section 136C.04, subdivision 12.

Referred to the Committee on Education.

Mr. Bertram introduced—

S.F. No. 1928: A bill for an act appropriating money for wood-fired boiler heating at St. Cloud State University.

Referred to the Committee on Finance.

Messrs. Peterson, R.W.; Pehler; Frederickson, D.J.; Morse and Beckman introduced—

S.F. No. 1929: A bill for an act relating to education; providing for department of education initiatives for the governor's drug plan; appropriating money; amending Minnesota Statutes 1988, section 126.70, subdivision 2a; Minnesota Statutes 1989 Supplement, sections 126.22, subdivisions 2 and 3; and 126.23; proposing coding for new law in Minnesota Statutes, chapter 129B.

Referred to the Committee on Education.

Mr. Stumpf introduced—

S.F. No. 1930: A bill for an act relating to education; appropriating money for the Red Lake Tribal Information Center; authorizing the sale of state bonds.

Referred to the Committee on Education.

Ms. Berglin, Mr. Vickerman, Meses. Piper, Flynn and Mr. DeCramer introduced—

S.F. No. 1931: A bill for an act relating to human services; providing for drug abuse prevention, research, and treatment programs; appropriating money; proposing new law in Minnesota Statutes 1988, chapter 254A.

Referred to the Committee on Health and Human Services.

Messrs. Luther, Spear, Pogemiller, Metzen and Novak introduced—

S.F. No. 1932: A bill for an act relating to controlled substances; calling for the incarceration of all convicted drug dealers; prohibiting the importing of controlled substances into the state; requiring the reporting of transactions involving substances that are precursors to controlled substances; creating pilot programs to require drug and alcohol testing as a condition of pretrial release and probation; creating pilot programs to provide chemical dependency treatment services in juvenile and adult jails and correctional facilities; creating pilot programs to require chemical dependency assessments for drug offenders; appropriating money; amending Minnesota Statutes 1988, sections 609.135, by adding a subdivision; 631.40; and 626.5562, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 152.

Referred to the Committee on Judiciary.

Messrs. Stumpf and Langseth introduced—

S.F. No. 1933: A bill for an act relating to civil actions; regulating punitive damage awards and the application of the comparative fault statute; amending Minnesota Statutes 1988, sections 549.20; and 604.01, subdivisions 1 and 3; Minnesota Statutes 1989 Supplement, section 604.02, subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Cohen and Pogemiller introduced—

S.F. No. 1934: A bill for an act relating to human services; modifying requirements for the administration of neuroleptic medication to committed persons; amending Minnesota Statutes 1988, section 253B.17, subdivision 1; Minnesota Statutes 1989 Supplement, section 253B.03, subdivision 6a.

Referred to the Committee on Judiciary.

Messrs. Spear, Luther, Freeman and Ms. Flynn introduced—

S.F. No. 1935: A bill for an act relating to insurance; prohibiting exclusion of any member of a household from homeowners insurance policies; establishing a minimum fine for failure to purchase automobile insurance; establishing minimum and maximum fines for failure to produce proof of automobile insurance and for using a false automobile insurance identification card; amending Minnesota Statutes 1988, section 65A.295; and Minnesota Statutes 1989 Supplement, sections 65B.67, subdivision 4; 169.791, subdivision 6; and 169.793, subdivision 2.

Referred to the Committee on Commerce.

Ms. Flynn, Messrs. Marty, Decker, Piepho and Freeman introduced—

S.F. No. 1936: A bill for an act relating to public employment; limiting the exclusion of graduate assistants from coverage under the public employment labor relations act; amending Minnesota Statutes 1988, section 179A.03, subdivision 14.

Referred to the Committee on Governmental Operations.

Ms. Berglin introduced—

S.F. No. 1937: A bill for an act relating to health; establishing standards for safe levels of lead; requiring education about lead exposure; requiring lead assessments of certain residences; establishing standards for lead abatement; requiring rules; amending Minnesota Statutes 1988, section 116.52, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Minnesota Statutes 1989 Supplement, sections 144.851 to 144.862.

Referred to the Committee on Health and Human Services.

Mr. Ramstad introduced—

S.F. No. 1938: A bill for an act relating to highways; directing commissioner of transportation to implement sound abatement measures along highways; amending Minnesota Statutes 1988, section 161.125, subdivision 1; repealing Laws 1978, chapter 791, section 19.

Referred to the Committee on Transportation.

Mr. Johnson, D.E. introduced—

S.F. No. 1939: A bill for an act relating to education; approving a maximum effort school loan program capital loan.

Referred to the Committee on Education.

Messrs. Brandl, Pehler and Luther introduced—

S.F. No. 1940: A bill for an act relating to health; establishing requirements for rehabilitating or liquidating a health maintenance organization; clarifying the liability of a health maintenance organization or management company; specifying requirements for a health maintenance organization application for a certificate; establishing protections against conflicts of interest; establishing requirements for a guaranteeing organization; including certain investments as admitted assets; requiring an expedited resolution of disputes about coverage of immediately and urgently needed service; establishing requirements for prior authorization; allowing replacement coverage by other health maintenance organizations; allowing appointment of a special examiner; amending Minnesota Statutes 1988, sections 60B.04, subdivision 1; 60B.15; 60B.17, subdivision 2, and by adding subdivisions; 60B.20; 60B.25; 62D.02, subdivision 15; 62D.03, subdivision 4; 62D.04, subdivision 1; 62D.041, subdivision 2; 62D.044; 62D.08, subdivisions 1 and 2; 62D.11, subdivision 1a, and by adding a subdivision; 62D.121, by adding a subdivision; 62D.14, by adding a subdivision; 62D.17, subdivisions 1 and 4; 62D.18, subdivision 1; and 62D.211; Minnesota Statutes 1989 Supplement, sections 62D.121, subdivision 3; and 72A.491, by adding a subdivision; and Laws 1988, chapter 434, section 24; proposing

coding for new law in Minnesota Statutes, chapters 60B and 62D; repealing Minnesota Statutes 1988, sections 62D.11, subdivision 4; 62D.12, subdivisions 14 and 16; 62D.18, subdivisions 2 to 5; and 62D.20, subdivision 2.

Referred to the Committee on Health and Human Services.

Messrs. Spear, Freeman, Pogemiller, Ramstad and Marty introduced—

S.F. No. 1941: A bill for an act relating to crime; removing requirement that negligence be proven for conviction of criminal vehicular operation if driver's alcohol concentration was .10 or more; imposing penalties for criminal vehicular operation resulting in substantial bodily harm; amending Minnesota Statutes 1989 Supplement, section 609.21.

Referred to the Committee on Judiciary.

Messrs. Brandl, Luther and Metzen introduced—

S.F. No. 1942: A bill for an act relating to insurance; regulating liability insurance claim denials; amending Minnesota Statutes 1988, section 72A.201, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 60A.

Referred to the Committee on Commerce.

Messrs. Marty, Spear and Freeman introduced—

S.F. No. 1943: A bill for an act relating to human rights; lengthening the statute of limitations for human rights act violations; amending Minnesota Statutes 1988, section 363.06, subdivision 3.

Referred to the Committee on Judiciary.

Messrs. Luther, Hughes and Moe, R.D. introduced—

S.F. No. 1944: A bill for an act relating to elections; requiring the designation of a local government election for election of county, municipal, and school district officers, and officers of all other political subdivisions except certain towns; requiring that certain questions be voted on only at the local government election for the political subdivision; requiring uniform and coordinated election precincts and polling places for municipalities and school districts; superseding certain inconsistent general and special laws and home rule charter provisions; appropriating money; amending Minnesota Statutes 1988, sections 40.05, subdivisions 1, 3, and 4; 40.06, subdivisions 1; 122.23, subdivisions 12 and 17; 122.25, subdivision 2; 123.12, subdivision 1; 123.33, subdivision 1; 123.34, subdivision 1; 123.351, subdivisions 1 and 3; 123.51; 124.43, subdivision 3b; 200.02, by adding a subdivision; 201.071, subdivisions 1, 3, and 8; 203B.06, subdivision 3; 204B.14, by adding a subdivision; 204B.16, subdivision 1; 204B.18, subdivision 2, and by adding a subdivision; 204C.10, subdivision 1; 204D.02, subdivisions 1 and 2; 204D.11, subdivision 5; 204D.16; 205.02, subdivision 2; 205.10, subdivision 1; 205.13, subdivisions 1 and 6; 205.185, subdivisions 2, 3, and by adding a subdivision; 205A.02; 205A.05, subdivision 1; 205A.06, subdivision 5; 365.51, subdivision 3; 367.03; 375.03; 375.101, by adding a subdivision; 375.20; 375A.12, subdivision 4; 382.01; 383A.06, subdivision 2; 397.06; 397.07; 398.04; 410.12, subdivision 4; 410.21; 412.02, subdivision 2; 412.571, subdivision 5; 426.19, subdivision 2; 447.32,

subdivisions 1 and 2; 447.48; 469.0724; 469.190, subdivision 5; and 475.58, subdivision 1a; Minnesota Statutes 1989 Supplement, sections 122.23, subdivision 18; 124.82, subdivision 3; 128.01, subdivision 3; 129B.73, subdivision 4; 136D.741, subdivision 4; 375.18, subdivision 3; 412.021, subdivision 2; and 471.191, subdivision 2; Minnesota Statutes Second 1989 Supplement, sections 275.58, subdivision 1; and 373.40, subdivision 2; proposing coding for new law in chapter 205; repealing Minnesota Statutes 1988, sections 123.015; 123.11, subdivisions 2, 3, 4, 5, and 6; 123.32, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 11, 22, 24, 25, 26, and 27; 200.015; 201.095; 204D.28, subdivision 5; 205.02; 205.065, subdivisions 2, 3, 4, 5, 6, and 7; 205.07; 205.10; 205.121; 205.175; 205.18, subdivision 1; 205.20; 206.76; 375.101, subdivisions 1 and 2; and 447.32, subdivisions 3 and 4; Minnesota Statutes 1989 Supplement, sections 205.065, subdivision 1; and 205.18, subdivision 2.

Referred to the Committee on Elections and Ethics.

Messrs. Freeman, Pogemiller, Luther and Belanger introduced—

S.F. No. 1945: A bill for an act relating to controlled substances; increasing the excise tax on cigarettes, beer, wine, and alcoholic beverages; creating the local government drug council; providing for grants to local governments for drug treatment and criminal justice; amending Minnesota Statutes 1988, sections 297.02, subdivision 1; and 297C.02, subdivisions 1, 2, and 3; Minnesota Statutes 1989 Supplement, sections 299A.29, subdivision 3, and by adding a subdivision; 299A.30; 299A.32, subdivisions 1 and 2; 299A.34; 299A.35, subdivision 1; 299A.36; and 299A.40, subdivisions 3 and 4; proposing coding for new law in Minnesota Statutes, chapter 299A; repealing Minnesota Statutes 1989 Supplement, section 299A.35, subdivision 2.

Referred to the Committee on Judiciary.

Mr. Berg introduced—

S.F. No. 1946: A bill for an act relating to agriculture; providing for deficiency judgments relating to foreclosure and sale of mortgages on property used in agricultural production; requiring fair market value to be determined by the court; extending period for execution on judgment; amending Minnesota Statutes 1988, section 582.30, subdivisions 3, 4, 5, 6, and 7.

Referred to the Committee on Agriculture and Rural Development.

Mr. Peterson, R. W. introduced—

S.F. No. 1947: A bill for an act relating to highways; naming and designating as Moberg Trail that portion of Constitutional Route No. 46 located within Chisago county; amending Minnesota Statutes 1988, section 161.14, by adding a subdivision.

Referred to the Committee on Transportation.

Mr. Spear, Mses. Berglin, Reichgott and Mr. Pogemiller introduced—

S.F. No. 1948: A bill for an act relating to family law; modifying dissolution statistical reporting requirements; modifying standards for joint legal custody; requiring specific findings supporting joint custody in certain

cases; providing for the award of temporary attorney fees; providing for funding of legal representation in family law matters; appropriating money; amending Minnesota Statutes 1988, sections 144.224; 518.131, subdivisions 1 and 7; and 518.14; Minnesota Statutes 1989 Supplement, section 518.17, subdivision 2.

Referred to the Committee on Judiciary.

Mr. Pogemiller introduced—

S.F. No. 1949: A bill for an act relating to the legislature; requiring the legislature to conform to the open meeting law; amending Minnesota Statutes 1988, section 471.705, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 3.

Referred to the Committee on Governmental Operations.

Messrs. Pogemiller, Merriam and Ms. Piper introduced—

S.F. No. 1950: A bill for an act relating to housing; establishing a local government housing account that may be used for transitional housing, public housing modernization and rehabilitation, and subsidized rental housing preservation; establishing a council on homelessness; providing for a housing and redevelopment authority property service charge in lieu of property taxes; appropriating nonrefundable bond allocation deposits to the housing trust fund account; appropriating money; amending Minnesota Statutes 1988, sections 462A.201, subdivision 2; 469.040, by adding a subdivision; and 474A.21; proposing coding for new law in Minnesota Statutes, chapter 462A.

Referred to the Committee on Economic Development and Housing.

Mrs. McQuaid, Messrs. Ramstad, Benson and McGowan introduced—

S.F. No. 1951: A bill for an act relating to controlled substances; increasing the area affected from within 300 feet to within 1,000 feet of a school or park boundary for purposes of increasing penalties for sale or possession of controlled substances; requiring mandatory minimum sentences of imprisonment for first time offenders for sale or possession of controlled substances within a school or park zone; making it a crime to deliver or possess drug paraphernalia within a school zone or park zone; increasing penalties for sale or possession of anabolic substances (steroids), methamphetamine ("ice"), amphetamine, and marijuana within a school zone or park zone; requiring the posting of "Drug-Free School Zone" and "Drug-Free Park Zone" signs around school and park zone boundaries; amending Minnesota Statutes 1989 Supplement, sections 152.01, subdivisions 12a and 14a; 152.022, subdivisions 1 and 3; 152.023, subdivisions 2 and 3; 152.027, by adding a subdivision; and 152.029.

Referred to the Committee on Judiciary.

Ms. Berglin introduced—

S.F. No. 1952: A bill for an act relating to health; eliminating the office of social work and mental health boards; modifying the duties of the board of unlicensed mental health service providers; requiring all mental health service providers to file with the board; amending Minnesota Statutes 1988, sections 148B.01, subdivision 7; 148B.07; 148B.41, subdivision 1; 148B.42,

subdivision 2, and by adding a subdivision: 148B.43; and 148B.46, subdivision 1; Minnesota Statutes 1989 Supplement, sections 148B.17; 148B.40, subdivision 3; and 148B.42, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 148B; repealing Minnesota Statutes 1988, sections 148B.01, subdivision 2; 148B.02; and 148B.171.

Referred to the Committee on Health and Human Services.

Messrs. Moe, D.M. and Morse introduced—

S.F. No. 1953: A bill for an act relating to state government; regulating certain employment practices; permitting the transfer of vacation and sick leave for certain gubernatorial appointees; permitting employees on permanent layoff to test into new state positions; authorizing the donation of the value accrued vacation leave to other state employees under certain circumstances; making technical changes in the public employees insurance program; eliminating the authority of the board of medical examiners and the board of dentistry to set the salaries of their executive directors; eliminating obsolete language; appropriating money; amending Minnesota Statutes 1988, sections 15A.081, by adding a subdivision; 43A.13, subdivisions 2 and 3; and 43A.316, subdivisions 2, 3, 5, 7, and 8; amending Minnesota Statutes 1989 Supplement, sections 43A.316, subdivisions 9 and 10; and 214.04, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 43A.

Referred to the Committee on Governmental Operations.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 2:00 p.m., Thursday, February 22, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-THIRD DAY

St. Paul, Minnesota, Thursday, February 22, 1990

The Senate met at 2:00 p.m. and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Mark Swanson.

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

Adkins	Dahl	Johnson, D.J.	Merriam	Renneke
Anderson	Davis	Knaak	Metzen	Samuelson
Beckman	Decker	Kroening	Moe, D.M.	Schmitz
Belanger	DeCramer	Laidig	Morse	Solon
Benson	Dicklich	Langseth	Novak	Spear
Berg	Diessner	Lantry	Pariseau	Storm
Berglin	Flynn	Larson	Peterson, R.W.	Stumpf
Bernhagen	Frederickson, D.J.	Lessard	Piepho	Vickerman
Bertram	Frederickson, D.R.	Luther	Piper	Waldorf
Brandl	Freeman	Marty	Pogemiller	
Brataas	Gustafson	McGowan	Purfeerst	
Chmielewski	Hugnes	McQuaid	Ramstad	
Cohen	Johnson, D.E.	Mehrkens	Reichgott	

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Frank; Knutson; Pehler; Moe, R.D. and Ms. Olson were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

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

June 30, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointment to the Board of the Minnesota School and Resource Center for the Arts is hereby respectfully submitted to the Senate for confirmation as required by law:

William Jones, 4900 Prescott Cir., Edina, Hennepin County, has been appointed by me, effective June 27, 1989, for a term expiring the first Monday in January, 1991.

(Referred to the Committee on Education.)

January 19, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Dee Knaak, 4243 Oakmeade Ln., White Bear Lake, Ramsey County, has been appointed by me, effective January 16, 1990, for a term expiring the first Monday in January, 1994.

Richard Faricy, 2211 St. Clair Ave., St. Paul, Ramsey County, has been appointed by me, effective January 16, 1990, for a term expiring the first Monday in January, 1994.

(Referred to the Committee on General Legislation and Public Gaming.)

January 19, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Robert Dunn, 708 - 4th St. S., Princeton, Mille Lacs County, has been appointed by me, effective January 16, 1990, for a term expiring the first Monday in January, 1994.

(Referred to the Committee on Environment and Natural Resources.)

January 29, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointments to the Minnesota Veterans Homes Board of Directors are hereby respectfully submitted to the Senate for confirmation as required by law:

Robert Hansen, 1136 Ivy Hill Dr., Mendota Heights, Dakota County, has

been appointed by me, effective January 24, 1990, for a term expiring the first Monday in January, 1994.

Harvey Charles Aaron, 325 Otis Ave., St. Paul, Ramsey County, has been appointed by me, effective January 24, 1990, for a term expiring the first Monday in January, 1994.

(Referred to the Committee on Veterans and Military Affairs.)

February 1, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Leone Altman, 505 S. Inner Dr., Hibbing, St. Louis County, has been appointed by me, effective January 24, 1990, for a term expiring the first Monday in January, 1994.

(Referred to the Committee on Judiciary.)

February 2, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointments to the Minnesota Higher Education Coordinating Board are hereby respectfully submitted to the Senate for confirmation as required by law:

Mark Bergmann, 716 W. Broadway, Winona, Winona County, has been appointed by me, effective January 24, 1990, for a term expiring the first Monday in January, 1992.

Duane Scribner, 49 Arthur Ave. S.E., Minneapolis, Hennepin County, has been appointed by me, effective January 24, 1990, for a term expiring the first Monday in January, 1996.

(Referred to the Committee on Education.)

February 8, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointment as Chair of the Board of Water and Soil Resources is hereby respectfully submitted to the Senate for confirmation as required by law:

Donald Ogaard, 705 - 5th St. W., Ada, Norman County, has been appointed by me, effective January 24, 1990, for a term expiring the first Monday in January, 1994.

(Referred to the Committee on Environment and Natural Resources.)

Sincerely,
Rudy Perpich, Governor

February 15, 1990

The Honorable Jerome M. Hughes
President of the Senate
328 State Capitol
St. Paul, MN 55155

Dear Senator Hughes:

The following appointments were made by the Metropolitan Council on July 31, 1989, and are hereby respectfully submitted to the Senate for confirmation as required by law:

REGIONAL TRANSIT BOARD

John Finley, 1050 Mary Ln., St. Paul, MN 55117, appointed for a term ending January 1, 1993.

Richard Wedell, 1003 Richmond Ct., Shoreview, MN 55126, appointed for a term ending January 1, 1993.

Jeff Spartz, 4454 Edmund Blvd., Minneapolis, MN 55406, appointed for a term ending January 1, 1993.

Sandra Hilary, 2306 Fremont Ave. N., Minneapolis, MN 55411, appointed for a term ending January 1, 1993.

Elwyn Tinklenberg, 11348 Quincy St. N.E., Blaine, MN 55434, appointed for a term ending January 1, 1991.

Ruth Franklin, 430 Rice St., Anoka, MN 55303, appointed for a term ending January 1, 1991.

Norbert Theis, 12466 Marystown Rd., Shakopee, MN 55379, appointed for a term ending January 1, 1991.

Edward Kranz, 10955 - 140th St. E., Hastings, MN 55033, appointed for a term ending January 1, 1991.

(Referred to the Committee on Transportation.)

Sincerely,
Steve Keefe, Chair
Metropolitan Council

REPORTS OF COMMITTEES

Mr. Luther moved that the Committee Reports at the Desk be now adopted, with the exception of the reports pertaining to appointments. The motion prevailed.

Mr. Pehler from the Committee on Education, to which was referred

S.E. No. 1727: A bill for an act relating to education; repealing the requirement that the Minnesota state high school league conduct a two-class high school hockey championship; clarifying the status and effect of

certain law; removing surplus language; amending Minnesota Statutes 1989 Supplement, section 129.121, subdivision 7.

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1852: A bill for an act relating to judges; providing for the manner of filling vacancies in the office of judge; proposing coding for new law as Minnesota Statutes, chapter 480B.

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

Page 1, line 9, after the comma, insert "*or when a new district or appellate judgeship is created,*"

Page 4, line 26, delete "Data"

Page 4, delete line 27

Page 4, line 28, delete "13.43."

Page 4, delete lines 32 to 36 and insert:

"Section 1 is effective January 7, 1991, and applies to vacancies that occur on or after that date."

Page 5, delete line 1

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1366: A bill for an act relating to human rights; making harassment in certain cases an unfair discriminatory practice; amending Minnesota Statutes 1988, section 363.03, by adding a subdivision.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 363.03, is amended by adding a subdivision to read:

Subd. 11. [HARASSMENT.] It is an unfair discriminatory practice for a person to engage in conduct that would constitute a violation of section 609.746, subdivision 3; 609.79, subdivision 1a, paragraph (a); or 609.795, subdivision 2, paragraph (a). A criminal charge is not a prerequisite to a charge under this subdivision, and the standard of proof is a preponderance of the evidence."

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1845: A bill for an act relating to human services; including mental injuries and threatened injuries as abuse to be reported as maltreatment of minors; amending Minnesota Statutes 1988, section 626.556, subdivision 3; Minnesota Statutes 1989 Supplement, section 626.556, subdivisions 2 and 10e.

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

Page 1, line 14, delete the new language

Page 1, line 15, after "subjection" insert "*of a child*"

Page 1, line 21, after the period, insert "*Sexual abuse includes threatened sexual abuse.*"

Page 2, line 35, after "physical" insert "*or mental*"

Page 3, line 27, delete "*which*" and insert "*that*" and delete "*an immediate and*" and insert "*a*"

Page 5, line 22, strike "an assault, as defined in section 609.02, subdivision"

Page 5, strike lines 23 to 25

Page 5, line 26, strike "to the child" and insert "*physical abuse as defined in subdivision 2, paragraph (d)*"

Page 5, line 30, delete "*section 1*" and insert "*subdivision 2, paragraph (k)*"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1692: A bill for an act relating to public safety; conforming definition of "family or group family day care home" for purposes of fire code enforcement; abolishing nominal reimbursements for local fire chiefs; abolishing certain regulation of fire extinguishers now regulated under state fire code; abolishing regulation regarding "no smoking" signs which are regulated by state fire code; abolishing regulation regarding liquified petroleum and industrial gas containers which are regulated by state fire code and other rules; abolishing regulations relating to fire alarm deactivation requests and notices; abolishing state licensing of, and certain regulation regarding, dry cleaning and dyeing establishments, which are also regulated by state fire code; amending Minnesota Statutes 1988, section 299F011, subdivision 4a; repealing Minnesota Statutes 1988, sections 299F34; 299F36; 299F38; 299F40; 299F453; 299F454; and 299I.01 to 299I.24.

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

Page 2, line 2, strike "single family" and after "dwelling" insert "*unit*"

Page 2, line 17, delete "299F40," and after "299F454," insert "299H.211, 299H.22, 299H.23, 299H.24, 299H.25, 299H.26, 299H.27, 299H.28,"

Amend the title as follows:

Page 1, line 9, delete "liquified" and insert "liquefied"

Page 1, line 16, after the semicolon, insert "abolishing certain state licensing and inspection regulations for theaters and halls, which are regulated by the state fire code;"

Page 1, line 19, delete "299F.40;" and before "and" insert "299H.211; 299H.22 to 299H.28;"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1507: A bill for an act relating to occupations and professions regulating the use of medical devices by the board of pharmacy; amending Minnesota Statutes 1988, sections 151.01, subdivisions 3, 11, and by adding a subdivision; 151.06, subdivision 1; 151.13, subdivision 1; 151.19, subdivision 3; and 151.34.

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

Pages 1 to 4, delete sections 3 and 4

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

"Sec. 4. Minnesota Statutes 1989 Supplement, section 151.34, is amended to read:

151.34 [PROHIBITED ACTS.]

It shall be unlawful to:

(1) manufacture, sell or deliver, hold or offer for sale any drug that is adulterated or misbranded;

(2) adulterate or misbrand any drug;

(3) receive in commerce any drug that is adulterated or misbranded, and to deliver or proffer delivery thereof for pay or otherwise;

(4) refuse to permit entry or inspection, or to permit the taking of a sample, or to permit access to or copying of any record as authorized by this chapter;

(5) remove or dispose of a detained or embargoed article in violation of this chapter;

(6) alter, mutilate, destroy, obliterate, or remove the whole or any part of the labeling of, or to do any other act with respect to a drug, if such act is done while such drug is held for sale and results in such drug being adulterated or misbranded;

(7) use for a person's own advantage or to reveal other than to the board or its authorized representative or to the courts when required in any judicial proceeding under this chapter any information acquired under authority of this chapter concerning any method or process which is a trade secret and entitled to protection;

(8) use on the labeling of any drug any representation or suggestion that an application with respect to such drug is effective under the federal act

or that such drug complies with such provisions;

(9) in the case of a manufacturer, packer, or distributor offering legend drugs for sale within this state, fail to maintain for transmittal or to transmit, to any practitioner licensed by applicable law to administer such drug who makes written request for information as to such drug, true and correct copies of all printed matter which is required to be included in any package in which that drug is distributed or sold, or such other printed matter as is approved under the federal act. Nothing in this paragraph shall be construed to exempt any person from any labeling requirement imposed by or under provisions of this chapter;

(10) conduct a pharmacy without a pharmacist in charge;

(11) dispense a legend drug without first obtaining a valid prescription for that drug;

(12) conduct a pharmacy without proper registration with the board; ~~or~~

(13) *practice pharmacy without being licensed to do so by the board;*
or

(14) sell at retail federally restricted ~~medical devices or~~ medical gases without proper registration with the board except as provided in this chapter.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after “professions” insert a semicolon

Page 1, line 3, delete everything before “pharmacy” and insert “practice of”

Page 1, delete lines 5 to 7 and insert “subdivisions 3 and 11; 151.13, subdivision 1; and Minnesota Statutes 1989 Supplement, section 151.34.”

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 443: A bill for an act relating to health; including the use of nitrous oxide as an analgesic in the practice of podiatric medicine; amending Minnesota Statutes 1988, section 153.01, subdivision 2.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 153.01, subdivision 2, is amended to read:

Subd. 2. [PODIATRIC MEDICINE.] “Podiatric medicine” means the diagnosis or medical, mechanical, or surgical treatment of the ailments of the human hand, foot, ankle, and the soft tissue of the lower leg distal to the tibial tuberosity, including amputation of the toe, but not including amputation of the foot, hand, or fingers, or the use of anesthetics other than local anesthetics, *except as provided in section 2*. “Podiatric medicine” includes the prescribing or recommending of appliances, devices, or shoes for the correction or relief of foot ailments. “Podiatric medicine” includes

the prescribing or administering of any drugs or medications necessary or helpful to the practice of podiatry as defined by this subdivision, provided, however, that licensed podiatrists shall be restricted in their prescribing or administering of any drugs or medications by the limitations imposed on the scope of practice of podiatric medicine as defined in this chapter.

Sec. 2. [153.26] [USE OF NITROUS OXIDE.]

A podiatrist may use an oxygen-nitrous oxide mixture for sedation or analgesia only under the following conditions:

- (1) the nitrous oxide concentration is 70 percent of the mixture or less;*
- (2) the oxygen-nitrous oxide mixture is administered only by nasal inhalater;*
- (3) an individual other than the attending podiatrist monitors the equipment and the patient during the administration of oxygen-nitrous oxide sedation and is medically directed and supervised by the podiatrist;*
- (4) the podiatrist and the individual referred to in clause (3) have successfully completed, after December 31, 1986, a course in nitrous oxide sedation approved by a school of podiatric medicine;*
- (5) the podiatrist and the individual referred to in clause (3) have completed, after December 31, 1986, a course in cardiopulmonary resuscitation;*
- (6) oxygen-nitrous oxide is not used in conjunction with any other analgesic or sedative; and*
- (7) the machine used for administering the oxygen-nitrous oxide mixture includes:
 - (i) an automatic shut-off valve in the event the oxygen concentration is less than three liters per minute;*
 - (ii) an immediately available oxygen flush capability utilizing a positive pressure mask for pure oxygen delivery;*
 - (iii) an automatic control over maximum nitrous oxide concentration which prevents oxygen concentration from falling below 30 percent of the mixture when nitrous oxide flow is maximal; and*
 - (iv) color-coded valves, tanks, and knobs, and pin index and diameter index safety systems."**

Delete the title and insert:

"A bill for an act relating to health; establishing standards for the use of nitrous oxide in the practice of podiatric medicine; amending Minnesota Statutes 1988, section 153.01, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 153."

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 1730: A bill for an act relating to financial institutions; permitting interstate banking with an additional reciprocating state; amending Minnesota Statutes 1988, section 48.92, subdivision 7.

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

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

S.F. No. 1663: A bill for an act relating to Redwood county; abandoning judicial ditch number 37.

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

Page 1, line 6, delete "COUNTY" and insert "AND LYON COUNTIES"

Page 1, line 8, delete "*county*" and insert "*and Lyon counties*"

Page 1, line 20, delete "*in Redwood county*"

Page 1, line 21, after "*Redwood*" insert "*and Lyon*" and delete "*board*" and insert "*boards*"

Amend the title as follows:

Page 1, line 2, delete "county" and insert "and Lyon counties"

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 1778: A bill for an act relating to insurance; creating and regulating the life and health insurance guaranty association; prescribing its powers and duties; providing general supervisory duties to the commissioner of commerce; amending Minnesota Statutes 1988, section 60B.25; proposing coding for new law in Minnesota Statutes, chapter 61B; repealing Minnesota Statutes 1988, sections 61B.01; 61B.02; 61B.03, subdivisions 1 to 5 and 7 to 14; 61B.04; 61B.05; 61B.06; 61B.07; 61B.08; 61B.09; 61B.10; 61B.11; 61B.12; 61B.13; 61B.14; 61B.15; and 61B.16; and Minnesota Statutes 1989 Supplement, section 61B.03, subdivision 6.

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

Page 5, line 13, delete "*and*" and insert "*insurance policies,*"

Page 5, line 14, delete "*and*" and insert a comma and after "*contracts*" insert "*, and supplemental contracts*"

Page 6, line 15, after "*61B.32*" insert "*, issued by persons authorized at any time to transact insurance or business as a nonprofit health service plan corporation operating under chapter 62C in this state*"

Page 6, line 17, delete "*, but are not limited to,*"

Page 6, lines 24, 27, 29, and 32, delete "*any*" and insert "*a*"

Page 6, lines 24 and 25, delete "*not guaranteed by the insurers, or*"

Page 6, line 32, delete "*policies*" and insert "*policy*"

Page 7, line 1, delete "*any portion of*" and insert "*the excess rate of interest on*"

Page 7, line 2, after "*based*" insert a colon

Page 7, line 16, delete "*any*" and insert "*an*" and delete "*which is*"

Page 7, line 18, delete "*and which is*" and insert a comma and after

“insurer” insert “, and on which the liability insurer remains liable under the contract”

Page 7, line 19, delete the first “any” and insert “a” and delete the second “any” and insert “an”

Page 7, line 23, delete “any” and insert “a”

Page 7, line 26, delete “, but not limited to.”

Page 7, line 28, after “under” insert a colon

Page 7, line 30, delete “section 514 of”

Page 7, line 31, after the comma, insert “United States Code, title 29, section 1002(40)(A),” and after “amended” insert “through December 31, 1989”

Page 7, line 35, delete “any” and insert “an”

Page 8, line 1, after the semicolon, insert “and”

Page 8, line 2, delete “any” and insert “a”

Page 8, line 4, delete “any fees or allowances” and insert “ a fee or allowance” and after “to” delete “any” and insert “a”

Page 8, line 6, delete “; and” and insert a period

Page 8, delete lines 7 to 10

Page 8, line 30, after “1986” insert “, as amended through December 31, 1989,”

Page 9, line 2, delete “any one” and insert “a” and delete the second “any” and insert “an”

Page 9, line 12, after the period, insert “This limitation on liability does not prevent an insured from proving liability that is greater than the express terms of the covered policy or contract. The insured must bring an action to claim the greater liability within one year of entry of an order of rehabilitation, conservation, or liquidation.”

Page 9, line 21, delete “DEFINITIONS” and insert “APPLICATION” and delete “For the purposes of sections”

Page 9, delete lines 22 and 23 and insert “The definitions in this section apply to sections 2 to 16.”

Page 9, line 29, delete “as continued and” and insert a period

Page 9, delete lines 30 and 31

Page 9, line 33, delete everything after “commerce” and insert a period

Page 9, delete lines 34 and 35

Page 10, line 1, delete “any” and insert “an”

Page 10, line 5, delete “any” and insert “a”

Page 10, line 12, delete the second “and” and insert a comma

Page 10, line 13, after “62B” insert a comma

Page 11, lines 2, 5, and 26, delete “any” and insert “an”

Page 11, line 17, delete “any” in both places

Page 11, line 18, delete "any"

Page 11, line 25, delete "also" and delete "any"

Page 11, line 28, after "1986" insert ", as amended through December 31, 1989"

Page 12, line 5, delete "any"

Page 12, line 7, delete "CONTINUATION OF" and insert "MINNESOTA LIFE AND HEALTH INSURANCE GUARANTY"

Page 12, line 8, delete "NATURE OF ASSOCIATION" and insert "FUNCTIONS" and delete "*The nonprofit*"

Page 12, delete lines 9 to 13

Page 12, line 14, delete "state." and after "The" insert "*Minnesota life and health insurance guaranty*"

Page 12, line 16, after "directors" insert a period

Page 12, line 17, delete "*provided for under section 61B.22.*" and insert "*The association is not a state agency for purposes of chapters 14, 16A, 16B, or 43A.*"

Page 12, line 29, delete everything after the period

Page 12, delete lines 30 and 31

Page 12, line 33, delete "COMPOSITION OF BOARD" and insert "MEMBERS"

Page 12, line 34, delete "*shall consist*" and insert "*consists*" and delete "*not less than five*"

Page 12, line 35, delete "*nor more than*"

Page 12, line 36, delete everything after the period

Page 13, delete lines 1 to 6

Page 13, line 7, delete everything before "*Vacancies*" and insert "*Members of the board must be elected by member insurers, subject to the approval of the commissioner, for the terms of office specified in their nominations.*"

Page 13, line 11, delete the paragraph coding and delete everything before "*In*"

Page 13, line 13, delete ", among other things."

Page 13, line 15, delete "3" and insert "2" and delete "COMPENSATION" and insert "EXPENSES"

Page 13, line 20, delete "4" and insert "3"

Page 13, line 21, delete "*prescribed in*" and insert "*required under*"

Page 14, line 12, delete "*pursuant to*" and insert "*as provided in*"

Page 14, after line 13, insert:

"*Subd. 4. [OPEN MEETINGS.] Board meetings are subject to section 471.705, except when private or nonpublic data as described in this subdivision is discussed. Business records of an impaired or insolvent insurer are 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."

Page 14, line 27, after "*assure*" insert "*prompt*"

Page 14, line 32, after "*claims*" insert "*in a*" and after "*timely*" insert "*manner*"

Page 14, line 33, delete "*prescribed in*" and insert "*required under*"

Page 15, line 13, delete "*in its state of domicile*"

Page 15, delete line 15 and insert "*that the*"

Page 15, line 20, delete "*any*" and insert "*a*"

Page 15, line 21, after "*restored*" insert "*until at least one of the following events has occurred*"

Page 15, line 27, delete "*shall have*" and insert "*has*"

Page 15, line 32, delete "*set forth*" and insert "*provided*"

Page 15, line 36, delete "*, either*"

Page 16, line 1, delete "*(i)*"

Page 16, line 3, delete "*or*"

Page 16, line 4, delete "*(ii)*" and insert "*(2)*"

Page 16, line 5, delete the second "*and*"

Page 16, line 6, delete "*(iii)*" and insert "*(3)*"

Page 16, line 8, delete "*(2)*" and insert "*(4)*"

Page 16, line 13, delete "*(2)*" and insert "*(4)*"

Page 17, lines 11, 12, 28, 30, and 36, delete "*shall*" and insert "*must*"

Page 17, line 26, delete the second "*shall*" and insert "*must*"

Page 18, line 6, delete "*shall cease*" and insert "*ceases*"

Page 18, line 8, after "*association*" insert "*and the preexisting condition limitations have been satisfied*"

Page 18, line 14, delete "*paragraph (e)*" and insert "*clause (5)*"

Page 18, line 15, after "*of*" insert "*all unpaid*"

Page 18, lines 16 and 31, delete "*any*" and insert "*a*"

Page 18, line 18, delete "*shall terminate*" and insert "*terminates*"

Page 18, line 19, delete "*that*" and insert "*the*" and delete the first "*or*" and insert a comma and after "*contract*" insert a comma

Page 18, line 20, delete "*that*" and insert "*the*" and delete "*or*" and insert a comma

Page 18, line 21, after "*contract*" insert a comma and delete "*any*"

Page 18, line 22, delete "*any*"

Page 18, line 23, after the period, insert "*The obligations of the association terminate 31 days after the association sends a written cancellation notice by first class mail to the insured's last known address.*"

Page 18, line 26, delete “*shall*” and delete “*be*” and insert “*are*”

Page 19, line 1, delete “*shall be*” and insert “*is*”

Page 19, line 6, delete “*and*” and insert a period

Page 19, line 9, delete “*needed*” and insert “*necessary*”

Page 19, line 24, delete the third and fourth commas and insert a semi-colon in both places

Page 19, line 31, delete “*any*” and insert “*an*”

Page 20, lines 1 and 2, delete “, *but not limited to,*”

Page 20, line 5, delete “*also has the right to*” and insert “*may*”

Page 20, line 11, delete “*Any*” and insert “*A*”

Page 20, line 20, delete “*any*” and insert “*a*”

Page 20, line 22, delete “*any right*” and insert “*rights*”

Page 20, line 29, delete “*any*”

Page 20, line 30, delete “*remedy*” and insert “*remedies*”

Page 21, line 33, delete “*shall*”

Page 22, lines 2, 7, 17, 24, and 36, delete “*shall*” and insert “*must*”

Page 22, line 12, delete “*any*” and insert “*a*”

Page 23, line 3, delete “*shall*” and insert “*must*”

Page 23, line 13, delete “*set forth*” and insert “*as provided*”

Page 24, line 1, delete “*any*” and insert “*an*”

Page 24, lines 5 and 34, delete “*shall*” and insert “*must*”

Page 24, line 6, delete “*thereafter*”

Page 24, line 23, delete “*It shall be proper*”

Page 24, line 24, delete “*for any*” and insert “*A*” and after “*insurer*” insert “*may*”

Page 24, line 26, delete the second “*to*”

Page 25, line 4, delete “*(a) The*”

Page 25, delete lines 5 and 6

Page 25, line 7, delete everything before “*The*” and insert “*The purpose of*”

Page 25, line 8, delete “*shall be for the purpose of assuring*” and insert “*is to assure*”

Page 25, lines 11 and 25, delete “*shall*” and insert “*must*”

Page 25, delete lines 14 and 15

Page 25, line 16, delete everything before “*the*” and insert “*If*”

Page 25, line 21, delete “*a plan*” and insert “*amendments*”

Page 25, line 26, delete “*enumerated elsewhere*” and insert “*specified*”

Page 25, line 34, delete “*thereof*”

Page 26, line 2, delete everything after “*establish*” and insert “*procedures for selecting the*”

Page 26, line 3, delete everything after “*directors*” and insert a semicolon

Page 26, delete line 4

Page 27, lines 7 and 20, delete “*any*” and insert “*a*”

Page 27, line 19, delete “*Any*” and insert “*An*”

Page 27, lines 23 and 26, delete “*shall*” and insert “*must*”

Page 27, line 27, delete “*shall be*” and insert “*is*”

Page 27, line 30, delete “*any*” and insert “*an*”

Page 27, line 36, before “*To*” insert “*(a)*”

Page 28, line 1, delete the colon

Page 28, line 2, delete everything before the second “*the*” and after “*commissioner*” insert “*shall*”

Page 28, line 3, delete “*to*”

Page 28, line 9, delete “*any*” and insert “*a*” and delete “*that*” and insert “*requiring*” and after “*company*” insert “*to*”

Page 28, lines 14, 20, and 33, delete “*shall*” and insert “*must*”

Page 28, lines 16, 23, and 27, delete the first “*to*”

Page 28, lines 17 and 19, delete “*set forth*” and insert “*specified*”

Page 28, line 18, delete “*any other*” and insert “*another*”

Page 28, line 24, delete “*any*” and insert “*an*”

Page 28, line 25, delete “*any*” and insert “*a*”

Page 29, line 7, delete “*any matter*” and insert “*matters*”

Page 29, lines 10 and 18, delete “*any*” and insert “*a*”

Page 29, line 13, delete “*It shall be the duty of*”

Page 29, line 14, delete “*to*” and insert “*shall*” and delete “*any*”

Page 29, line 15, delete “*any*” and insert “*that a*”

Page 29, lines 25, 26, and 32, delete “*shall*” and insert “*must*”

Page 30, line 2, delete “*any*” and insert “*an*”

Page 30, lines 12 and 31, delete “*shall*” and insert “*must*”

Page 30, line 28, delete “*any*”

Page 31, line 11, delete the second “*any*” and insert “*an*”

Page 31, line 18, delete “*any other*” and insert “*an*” and after the period, insert “*A person violating this section is guilty of a misdemeanor.*”

Page 31, after line 18, insert:

“*Subd. 4. [DISTRIBUTION TO STOCKHOLDERS.] No distribution to stockholders of an impaired insurer shall be made until the total amount of assessments levied by the association with respect to the insurer have been fully recovered by the association.*”

Page 31, lines 21 and 28, delete “*shall be*” and insert “*is*”

Page 31, line 25, after “*the*” insert “*association’s*”

Page 31, line 29, delete “*any of*”

Page 31, line 33, delete the second “*any*” and insert “*its*”

Page 31, line 34, delete “*thereof*”

Pages 31 and 32, delete section 15 and insert:

“Sec. 15. [61B.31] [INDEMNIFICATION.]

The association has authority to indemnify certain persons against certain expenses and liabilities as provided in section 300.083 including the power to purchase and maintain insurance on behalf of these persons as provided by section 300.083, subdivision 7. In applying section 300.083 for this purpose, the term “member insurers” shall be substituted for the terms “shareholders” and “stockholders” and the term “association” shall be substituted for the term “corporation.”

Page 32, line 13, delete “*any*” and insert “*a*” and delete “*shall*” and insert “*must*”

Page 32, line 15, delete “*any*”

Page 32, line 17, delete “*any*” and insert “*a*”

Page 32, line 19, delete “*shall be permitted to*” and insert “*may*”

Page 32, after line 20, insert:

“Sec. 17. [CONTINUATION OF ASSOCIATION.]

Subdivision 1. [ASSOCIATION.] The nonprofit legal entity known as the Minnesota life and health insurance guaranty association established under Minnesota Statutes 1988, section 61B.04, subdivision 1, shall continue to exist under sections 2 to 16. All member insurers shall be and remain members of the association as a condition of their authority to transact insurance in this state.

Subd. 2. [BOARD OF DIRECTORS.] Those persons who, as of the effective date of sections 2 to 16, are serving on the board of directors of the association pursuant to Minnesota Statutes 1988, section 61B.05, may continue to serve on the board established by this section for their remaining terms of office. As those terms expire, members of the board shall be elected by member insurers, subject to the approval of the commissioner of commerce, for the terms of office specified in their nominations.

Subd. 3. [PLAN OF OPERATION.] The association’s existing plan of operation established under Minnesota Statutes 1988, section 61B.08, shall continue in existence under sections 2 to 16, subject to amendments and modifications, until a new plan of operation is submitted to and approved by the commissioner of commerce. If the association fails to submit a plan of operation within 120 days following the effective date of sections 2 to 16, the commissioner shall, after notice and hearing, adopt reasonable rules necessary or advisable to implement sections 2 to 16. The rules are effective until modified by the commissioner or superseded by a plan submitted by the association and approved by the commissioner.”

Page 32, line 21, delete “17” and insert “18”

Page 32, line 27, delete “18” and insert “19”

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

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

S.F. No. 1670: A bill for an act relating to natural resources; prohibiting transportation of Eurasian milfoil; providing exceptions; proposing coding for new law in Minnesota Statutes, chapter 18.

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

Delete everything after the enacting clause and insert:

"Section 1. [18.317] [EURASIAN WATER MILFOIL.]

Subdivision 1. [TRANSPORTATION PROHIBITED.] Except as provided in subdivision 2, a person may not transport Eurasian water milfoil, myriophyllum spicatum, to or from a body of water. Eurasian water milfoil, myriophyllum spicatum, must be removed from a watercraft and trailer before being transported on a road or highway as defined in section 160.02, subdivision 7.

Subd. 2. [EXCEPTION.] A person may transport Eurasian water milfoil, myriophyllum spicatum, for disposal as part of a harvest or control activity.

Subd. 3. [ENFORCEMENT.] This section may be enforced by conservation officers under sections 97A.205 and 97A.211, and other licensed peace officers.

Subd. 4. [PENALTY.] A person who violates subdivision 1 is guilty of a misdemeanor.

Sec. 2. Minnesota Statutes 1988, section 361.03, is amended by adding a subdivision to read:

Subd. 11a. [SUSPENSION FOR NOT REMOVING EURASIAN 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 any watercraft that has been transported into the waters of the state with any Eurasian water milfoil, myriophyllum spicatum, attached to the watercraft or trailer or other device used to place the watercraft in the water. The commissioner may only suspend the license of a watercraft under this section if the owner or person transporting the watercraft refused to comply with an order of a sheriff, conservation officer, or peace officer to remove the Eurasian water milfoil, myriophyllum spicatum, before the watercraft entered the water.

Sec. 3. [EFFECTIVE DATE.]

This act is effective May 12, 1990."

Delete the title and insert:

"A bill for an act relating to natural resources; prohibiting transportation of Eurasian water milfoil; providing exceptions; providing penalties for not removing Eurasian water milfoil from watercraft; providing penalties; amending Minnesota Statutes 1988, section 361.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 18."

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

adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which were referred the following appointments as reported in the Journal for March 16, 1989:

METROPOLITAN COUNCIL

Liz (Mary E.) Anderson
Dirk DeVries
David Fisher
Mary Hauser
Ken Kunzman
Dottie Rietow
Margaret Schreiner
James Senden

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Luther moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Lessard from the Committee on Environment and Natural Resources, to which were referred the following appointments as reported in the Journal for February 12, 1990:

MINNESOTA ENVIRONMENTAL QUALITY BOARD

Paul Toren

**OFFICE OF WASTE MANAGEMENT
DIRECTOR**

Michael Robertson

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Luther moved that the foregoing committee report be laid on the table. The motion prevailed.

Mrs. Lantry from the Committee on General Legislation and Public Gaming, to which were referred the following appointments as reported in the Journal for February 12, 1990:

**DEPARTMENT OF GAMING
COMMISSIONER**

Tony Bouza

**DEPARTMENT OF GAMING
GAMBLING CONTROL DIVISION
DIRECTOR**

Thomas Anzelc

GAMBLING CONTROL BOARD

Robert Fragnito
Barbara Grove
Raymond Joachim, Sr.

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Luther moved that the foregoing committee report be laid on the table. The motion prevailed.

SECOND READING OF SENATE BILLS

S.F. Nos. 1727, 1852, 1366, 1845, 1692, 1507, 443, 1730, 1663, 1778 and 1670 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Luther moved that the name of Ms. Peterson, D.C. be stricken as a co-author and the name of Ms. Flynn be added as a co-author to S.F. No. 313. The motion prevailed.

Mr. Moe, R.D. moved that the name of Ms. Peterson, D.C. be stricken as chief author and the name of Ms. Piper be added as chief author to S.F. No. 409. The motion prevailed.

Mr. Davis moved that his name be stricken as chief author, shown as a co-author and the name of Mr. Frederickson, D.J. be added as chief author to S.F. No. 1469. The motion prevailed.

Ms. Reichgott moved that her name be stricken as chief author, shown as a co-author and the name of Mr. Cohen be added as chief author to S.F. No. 1571. The motion prevailed.

Ms. Berglin moved that the name of Mr. Knaak be added as a co-author to S.F. No. 1632. The motion prevailed.

Mr. Pogemiller moved that the name of Mr. Ramstad be added as a co-author to S.F. No. 1666. The motion prevailed.

Mr. Davis moved that the name of Mr. Frederickson, D.J. be added as a co-author to S.F. No. 1718. The motion prevailed.

Mr. Cohen moved that the name of Mr. Marty be added as a co-author to S.F. No. 1740. The motion prevailed.

Mr. Dahl moved that the name of Mr. Knaak be added as a co-author to S.F. No. 1792. The motion prevailed.

Ms. Berglin moved that the name of Ms. Piper be added as a co-author to S.F. No. 1828. The motion prevailed.

Ms. Berglin moved that the name of Mr. Spear be added as a co-author to S.F. No. 1834. The motion prevailed.

Ms. Berglin moved that the name of Ms. Piper be added as a co-author to S.F. No. 1838. The motion prevailed.

Ms. Reichgott moved that the name of Mr. Marty be added as a co-author to S.F. No. 1846. The motion prevailed.

Mr. Frank moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1867. The motion prevailed.

Mr. Diessner moved that the name of Ms. Piper be added as a co-author to S.F. No. 1868. The motion prevailed.

Mr. Diessner moved that the name of Ms. Piper be added as a co-author to S.F. No. 1869. The motion prevailed.

Mr. Bertram moved that the name of Mr. Davis be added as a co-author

to S.F. No. 1886. The motion prevailed.

Mr. Cohen moved that the name of Mr. Storm be added as a co-author to S.F. No. 1934. The motion prevailed.

Mr. Spear moved that the name of Mrs. McQuaid be added as a co-author to S.F. No. 1935. The motion prevailed.

Ms. Berglin moved that the name of Ms. Piper be added as a co-author to S.F. No. 1937. The motion prevailed.

Mr. Brandl moved that the name of Ms. Flynn be added as a co-author to S.F. No. 1942. The motion prevailed.

Mr. Marty moved that the name of Ms. Piper be added as a co-author to S.F. No. 1943. The motion prevailed.

Mr. Pogemiller moved that the names of Messrs. Merriam and Cohen be added as co-authors to S.F. No. 1949. The motion prevailed.

Messrs. Moe, R.D. and Benson introduced—

Senate Resolution No. 147: A Senate resolution relating to mileage; setting the miles traveled by members of the Senate in going to and returning from the Capitol.

BE IT RESOLVED, by the Senate of the State of Minnesota:

That Senate Resolution No. 27 relating to mileage, Senate Permanent Journal pages 48-50, be amended as follows:

Page 1, after line 29, insert:

FLYNN, Carol 28

Page 1, line 61, delete:

PETERSON, Donna C. 14

Page 1, after line 62, insert:

PIEPHO, Mark 176

Page 2, delete line 8 and insert:

STUMPF, LeRoy A. 620

Page 2, line 9, delete:

TAYLOR, Glen 180

Mr. Luther moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Knaak introduced—

S.F. No. 1954: A bill for an act relating to taxation; property; providing for the valuation of certain residential homestead property; amending Minnesota Statutes 1988, section 273.11, by adding a subdivision; Minnesota Statutes 1989 Supplement, section 273.11, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Cohen introduced—

S.F. No. 1955: A bill for an act relating to housing; changing the definition of designated home ownership area for the Minnesota rural and urban homesteading program; amending Minnesota Statutes 1989 Supplement, section 462A.057, subdivision 2.

Referred to the Committee on Economic Development and Housing.

Messrs. Knaak and Laidig introduced—

S.F. No. 1956: A bill for an act relating to education; increasing the formula allowance; modifying the training and experience index; appropriating money; amending Minnesota Statutes 1988, section 124A.22, subdivision 4; and Minnesota Statutes 1989 Supplement, section 124A.22, subdivision 2.

Referred to the Committee on Education.

Messrs. Knaak, Laidig and Peterson, R.W. introduced—

S.F. No. 1957: A bill for an act relating to education; including science lab safety as a permitted health and safety expenditure; amending Minnesota Statutes 1988, section 124.83, subdivision 2; Minnesota Statutes 1989 Supplement, section 124.83, subdivision 6; and Minnesota Statutes Second 1989 Supplement, section 124.83, subdivision 1.

Referred to the Committee on Education.

Messrs. Benson and Peterson, R.W. introduced—

S.F. No. 1958: A bill for an act relating to education; changing school consolidation election procedures; amending Minnesota Statutes 1988, section 122.23, subdivisions 9, 11, 12, and 13.

Referred to the Committee on Education.

Messrs. Benson and Renneke introduced—

S.F. No. 1959: A bill for an act relating to horse racing; assigning racing days to more than one breed; amending Minnesota Statutes 1988, section 240.14, subdivision 1.

Referred to the Committee on General Legislation and Public Gaming.

Mr. Cohen introduced—

S.F. No. 1960: A bill for an act relating to port authorities; expanding the range of titles for certain offices; amending Minnesota Statutes 1988, section 469.051, subdivision 2.

Referred to the Committee on Economic Development and Housing.

Mr. Cohen introduced—

S.F. No. 1961: A bill for an act relating to the city of Saint Paul; authorizing the issuance of on-sale nonintoxicating and wine licenses to its division of parks and recreation.

Referred to the Committee on Commerce.

Mr. Merriam introduced—

S.F. No. 1962: A bill for an act relating to appropriations; canceling an appropriation for a cooperative agreement with the Cuyuna Development Corporation.

Referred to the Committee on Environment and Natural Resources.

Mr. Merriam introduced—

S.F. No. 1963: A bill for an act relating to governmental operations; prohibiting lump sum salary payments to employees not covered by collective bargaining agreements; clarifying limit on salary increases for managers and metropolitan agency employees; amending Minnesota Statutes 1988, section 43A.17, subdivision 2.

Referred to the Committee on Governmental Operations.

Mr. Pehler introduced—

S.F. No. 1964: A bill for an act relating to taxation; sales; exempting certain tree removal services; amending Minnesota Statutes 1988, section 297A.25, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Merriam introduced—

S.F. No. 1965: A bill for an act relating to crime; requiring deposit of forfeiture proceeds in the state treasury; allocating forfeiture proceeds among the agencies assisting with the forfeiture; appropriating money; amending Minnesota Statutes 1989 Supplement, section 609.5315, subdivision 5.

Referred to the Committee on Judiciary.

Messrs. DeCramer; Frederickson, D.J.; Mehrkens; Peterson, R.W. and Berg introduced—

S.F. No. 1966: A bill for an act relating to education; expanding open enrollment to bordering states; amending Minnesota Statutes 1989 Supplement, section 120.062, subdivision 12, and by adding a subdivision.

Referred to the Committee on Education.

Messrs. Diessner and Bertram introduced—

S.F. No. 1967: A bill for an act relating to veterans; changing a provision prohibiting cemeteries near veterans homes; amending Minnesota Statutes 1988, section 137.20.

Referred to the Committee on Veterans and Military Affairs.

Mr. Frank introduced—

S.F. No. 1968: A bill for an act relating to pet or companion animals; permitting restrictions to be imposed on persons convicted of committing certain crimes; amending Minnesota Statutes 1988, section 343.21, by adding a subdivision.

Referred to the Committee on General Legislation and Public Gaming.

Ms. Reichgott, Mr. McGowan, Ms. Berglin, Mrs. Pariseau and Mr. Spear introduced—

S.F. No. 1969: A bill for an act relating to crime; increasing penalties for assault against a child when there is a past pattern of child abuse; increasing the penalty for malicious child punishment resulting in great bodily harm; increasing the penalty for false claims of child abuse made to influence a child custody proceeding; amending Minnesota Statutes 1988, section 609.507; and Minnesota Statutes 1989 Supplement, sections 609.223; and 609.377.

Referred to the Committee on Judiciary.

Messrs. Gustafson, Solon, Stumpf and Chmielewski introduced—

S.F. No. 1970: A bill for an act relating to charitable gambling; authorizing the charitable gambling control board to issue certain licenses; amending Minnesota Statutes Second 1989 Supplement, section 349.16, subdivision 1a.

Referred to the Committee on General Legislation and Public Gaming.

Mr. Knutson, Mrs. Pariseau, Messrs. Frederick and Mehrkens introduced—

S.F. No. 1971: A bill for an act relating to education; establishing an automobile safety awareness week; proposing coding for new law in Minnesota Statutes 1988, chapter 126.

Referred to the Committee on Education.

Mr. Chmielewski introduced—

S.F. No. 1972: 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 1989 Supplement, section 30.49.

Referred to the Committee on Environment and Natural Resources.

Ms. Berglin introduced—

S.F. No. 1973: A resolution memorializing the President and Congress to reauthorize the low-income home energy assistance program and to increase its appropriation for fiscal year 1991 and subsequent years.

Referred to the Committee on Public Utilities and Energy.

Messrs. Piepho; Frederickson, D.R. and Renneke introduced—

S.F. No. 1974: 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 1988, section 297A.25, subdivision 9.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Frederickson, D.J. and Berg introduced—

S.F. No. 1975: A bill for an act relating to education; providing for the notice of and place for meeting of certain joint powers organizations; proposing coding for new law in Minnesota Statutes, chapter 124.

Referred to the Committee on Education.

Mr. Frederickson, D.J. introduced—

S.F. No. 1976: A bill for an act relating to education; providing for certain notice and board membership requirements under certain joint powers arrangements; amending Minnesota Statutes 1988, section 124.494, by adding a subdivision.

Referred to the Committee on Education.

Mr. Pogemiller, Mses. Flynn, Berglin, Messrs. Moe, D.M. and Kroening introduced—

S.F. No. 1977: A bill for an act relating to prostitution; increasing penalties for certain patrons of prostitutes; providing for driver's license revocation for repeat violators who use a motor vehicle during the commission of the offense; amending Minnesota Statutes 1988, sections 609.324, subdivisions 2, 3, and by adding a subdivision; and 609.3241.

Referred to the Committee on Judiciary.

Messrs. Freeman; Luther; McGowan; Peterson, R.W. and Ms. Flynn introduced—

S.F. No. 1978: A bill for an act relating to crime; increasing the penalty for malicious child punishment resulting in great bodily harm; amending Minnesota Statutes 1989 Supplement, section 609.377.

Referred to the Committee on Judiciary.

Messrs. Vickerman, Renneke, Mrs. Adkins, Messrs. Schmitz and Bernhagen introduced—

S.F. No. 1979: A bill for an act relating to local government; permitting towns to publish collections of town ordinances, resolutions, rules, and laws; amending Minnesota Statutes 1988, sections 415.021 and 599.13.

Referred to the Committee on Local and Urban Government.

Messrs. Vickerman, Renneke, Mrs. Adkins, Messrs. Schmitz and Bernhagen introduced—

S.F. No. 1980: A bill for an act relating to local government; requiring additional notice of various vacation proceedings; amending Minnesota Statutes 1988, section 368.01, subdivision 25; and Minnesota Statutes 1989 Supplement, section 412.851.

Referred to the Committee on Local and Urban Government.

Mr. Stumpf introduced—

S.F. No. 1981: A bill for an act relating to education; approving a maximum effort school loan program capital loan.

Referred to the Committee on Education.

Mr. Stumpf introduced—

S.F. No. 1982: A bill for an act relating to agriculture; creating a restricted seed potato growing area; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 21.

Referred to the Committee on Agriculture and Rural Development.

Mr. Bertram introduced—

S.F. No. 1983: A bill for an act relating to liquor; authorizing the metropolitan airports commission to issue off-sale liquor licenses for the sale of Minnesota wine; amending Minnesota Statutes 1988, section 340A.405, by adding a subdivision.

Referred to the Committee on Commerce.

Messrs. Bertram, Beckman and Vickerman introduced—

S.F. No. 1984: A bill for an act relating to the military; providing a cash bonus to active duty military personnel; appropriating money.

Referred to the Committee on Veterans and Military Affairs.

Ms. Berglin introduced—

S.F. No. 1985: A bill for an act relating to health; requiring the state planning agency to develop a state long-term care plan; requiring a report.

Referred to the Committee on Health and Human Services.

Mr. Cohen introduced—

S.F. No. 1986: A bill for an act relating to statutes; revising the text of certain laws to remove redundant and obsolete language, to simplify grammar and syntax, and to improve the style of language without causing changes in the meaning of the laws; amending Minnesota Statutes 1988, chapters 367, as amended; and 368, as amended.

Referred to the Committee on Judiciary.

Messrs. Spear; Frank; Peterson, R.W.; Stumpf and McGowan introduced—

S.F. No. 1987: A bill for an act relating to civil actions; providing that proof of a person's failure to use seat belts is admissible in litigation; amending Minnesota Statutes 1988, sections 169.685, subdivision 4; and 604.01, by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Knutson introduced—

S.F. No. 1988: A bill for an act relating to transportation; exempting volunteers driving private automobiles from certain rules of the commissioner of transportation; amending Minnesota Statutes 1989 Supplement, section 221.031, subdivision 3a.

Referred to the Committee on Transportation.

Mr. Belanger introduced—

S.F. No. 1989: A bill for an act relating to veterans; requiring two members of the board of directors of the Minnesota veterans homes to be women; directing the commissioner of veterans affairs to study the provision of veterans services to women; amending Minnesota Statutes 1988, section 198.002, subdivision 2.

Referred to the Committee on Veterans and Military Affairs.

Messrs. Ramstad, Pehler, Pogemiller, Benson and Moe, R.D. introduced—

S.F. No. 1990: A bill for an act relating to occupations and professions; allowing certified athletic trainers to perform certain treatment under the supervision of a physical therapist in a clinical setting; amending Minnesota Statutes 1988, section 148.65, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 148.

Referred to the Committee on Health and Human Services.

Messrs. Pehler and Frederickson, D.J. introduced—

S.F. No. 1991: A bill for an act relating to education; providing for statewide negotiation of teacher salaries; establishing a statewide bargaining council; proposing coding for new law in Minnesota Statutes, chapter 179A.

Referred to the Committee on Education. Mr. Moe, D.M. questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Piepho; Frederickson, D.R. and Renneke introduced—

S.F. No. 1992: A bill for an act relating to controlled substances; proposing a variety of measures to improve the enforcement and prosecution of controlled substance cases and the aftercare treatment of persons who are chemically dependent; requiring maternal and child health block grants to be used to serve children whose mothers abused drugs during pregnancy; requiring chemical dependency assessments and random drug testing of persons convicted of felony-level controlled substance crimes; requiring professional licensing boards to develop policies on licensing sanctions for persons convicted of controlled substance crimes; requiring the sentencing guidelines commission to collect data on sentencing departures in controlled substance cases; authorizing juvenile court jurisdiction over certain newborns who test positive for controlled substance exposure; making certain juvenile court orders applicable to adults; providing for driver's license revocation or denial for controlled substance offenders and juvenile alcohol offenders; clarifying certain data practices provisions; increasing penalties for a variety of controlled substance crimes and for certain repeat DWI offenders; reducing the blood alcohol concentration threshold from 0.10 to 0.06 for repeat offenses relating to DWI, criminal vehicular operation and for certain implied consent purposes; expanding the "open bottle" law to include constructive possession; expanding and simplifying the criminal forfeiture law; providing for state and local funding of chemical abuse

prevention programs; providing a special levy for these programs; appropriating money; amending Minnesota Statutes 1988, sections 13.82, by adding a subdivision; 145.88; 169.121, subdivision 2; 169.122, subdivision 2; 169.129; 254B.01, subdivision 3, and by adding a subdivision; 254B.03, subdivision 2; 254B.05, subdivision 1; and 340A.801, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 145.882, subdivision 7; 152.01, subdivision 15a; 152.021; 152.022; 152.023, subdivisions 1 and 2; 152.024, subdivisions 1 and 2; 152.025, subdivision 1; 152.027, subdivision 4; 152.028, subdivision 1; 169.121, subdivisions 1 and 3; 169.123, subdivisions 2, 4, 5a, and 6; 245A.02, subdivision 10; 254B.02, subdivision 1; 254B.03, subdivision 1; 260.015, subdivision 2a; 260.185, subdivision 1; 260.195, subdivisions 3 and 3a; 299A.40, subdivisions 1 and 3; 340A.702; 609.21; 609.531, subdivision 6a; 609.5314, subdivision 1; and 609.5315, subdivision 5; Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5; and Laws 1989, chapter 290, article 12, section 2; proposing coding for new law in Minnesota Statutes, chapters 152; 214; 244; 260; 297D; 299C; 340A; and 481; repealing Minnesota Statutes 1989 Supplement, section 171.171.

Referred to the Committee on Judiciary.

Messrs. Merriam, Laidig, Lessard and Davis introduced—

S.F. No. 1993: A bill for an act relating to waters; enacting the Wetlands Heritage Act of 1990; providing for wetlands identification, preservation, and management; appropriating money; amending Minnesota Statutes 1988, sections 105.37, subdivision 15, and by adding subdivisions; 105.38; 105.391, subdivisions 3, 10, and by adding subdivisions; 106A.701, by adding a subdivision; and Minnesota Statutes 1989 Supplement, section 272.02, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Messrs. Merriam and Waldorf introduced—

S.F. No. 1994: A bill for an act relating to revenue bonds and notes; stating the intent of the legislature not to appropriate money from the general fund to pay for revenue bonds or notes; amending Minnesota Statutes 1988, sections 16B.16, by adding a subdivision; 41A.03, subdivision 5; 136.31, subdivision 1; 136A.35; 462A.14; and 462A.22, subdivision 8; Minnesota Statutes 1989 Supplement, sections 136A.176; and 298.2211, subdivision 4.

Referred to the Committee on Finance.

Messrs. Metzen and Luther introduced—

S.F. No. 1995: A bill for an act relating to insurance; property and casualty; requiring compensation to certain agents upon termination; proposing coding for new law in Minnesota Statutes, chapter 60A.

Referred to the Committee on Commerce.

Messrs. Merriam, Dahl, Pehler, Mrs. McQuaid and Mr. Davis introduced—

S.F. No. 1996: A bill for an act relating to waste management; making several technical changes to the waste management act; establishing a time

period for local decision-making on siting of solid waste facilities; establishing time periods for state and metropolitan council approval of county solid waste management plans; clarifying jurisdiction of county plans; clarifying order of funding priority for grants for solid waste management projects; adjusting procedures for the creation of solid waste management districts; increasing the authority of the districts; authorizing counties to set civil penalties by ordinance for violation of designation ordinances; adding procedures and requirements for cities to meet when they organize solid waste collection; requiring a supplementary incinerator ash report; reducing time for metropolitan review of local government solid waste facility siting decisions; repealing the requirement that government agencies use degradable polyethylene bags; changing references; amending Minnesota Statutes 1988, sections 16B.61, subdivision 3a; 115A.03, subdivision 23; 115A.06, subdivisions 2, 5, 5a, 6, 8, 10, 11, 12, and 13; 115A.07, subdivisions 1 and 2; 115A.075; 115A.10; 115A.11, subdivision 1a; 115A.158, subdivision 2; 115A.191, subdivisions 1 and 2; 115A.192, subdivisions 1 and 2; 115A.193; 115A.194, subdivision 2; 115A.411, subdivision 1; 115A.46, subdivision 1, and by adding a subdivision; 115A.49; 115A.53; 115A.54, subdivision 3; 115A.64, subdivisions 2, 4, and 6; 115A.66, subdivision 3; 115A.67; 115A.86, by adding a subdivision; 115A.914; 115A.94, subdivisions 3 and 4; 115A.97, subdivision 5; 325E.045, subdivision 1; 473.823, subdivision 5, and by adding a subdivision; 473.845, subdivision 4; 473.846; Minnesota Statutes 1989 Supplement, sections 115A.14, subdivision 4; 115A.195; 115A.54, subdivision 2a; 115A.84, subdivision 2; 115A.86, subdivision 5; 115B.04, subdivision 4; 116C.69, subdivision 3; Minnesota Statutes Second 1989 Supplement, sections 115A.072, subdivisions 1 and 4; 115A.55, subdivision 3; 115A.551, subdivisions 4 and 7; 115A.558; 115A.961, subdivisions 2 and 4; Laws 1988, chapter 685, section 42; Laws 1989, chapter 325, section 79; and chapter 335, article 1, sections 23, subdivision 4, and 269; proposing coding for new law in Minnesota Statutes, chapter 115A; repealing Minnesota Statutes 1988, sections 115A.09, subdivision 5; 115A.90, subdivision 2; 325E.045, subdivisions 3 and 4; and Laws 1987, chapter 348, section 51, subdivision 5.

Referred to the Committee on Environment and Natural Resources.

Messrs. Dahl, Frank, Merriam and Novak introduced—

S.F. No. 1997: A bill for an act relating to local government; authorizing the county board of certain counties to delegate liquor licensing authority to town boards within the county.

Referred to the Committee on Commerce.

Messrs. Lessard; Davis; Johnson, D.E.; Berg and Mehrkens introduced—

S.F. No. 1998: A bill for an act relating to waste; appropriating money for waste tire feasibility studies.

Referred to the Committee on Environment and Natural Resources.

Messrs. Pehler and Davis introduced—

S.F. No. 1999: A bill for an act relating to agriculture; changing certain duties, procedures, and requirements related to organic food; amending

Minnesota Statutes 1988, sections 31.94 and 31.95; repealing Minnesota Statutes 1988, section 31.95, subdivision 2.

Referred to the Committee on Agriculture and Rural Development.

Mr. Pehler introduced—

S.F. No. 2000: A bill for an act relating to crime; increasing the penalty for killing a police dog engaged in correctional duties; amending Minnesota Statutes 1988, section 609.596.

Referred to the Committee on Judiciary.

Messrs. Mehrkens, Stumpf, DeCramer and Langseth introduced—

S.F. No. 2001: A bill for an act relating to education; waiving certain deadlines and providing transportation under the enrollment options program; amending Minnesota Statutes 1988, section 120.062, subdivision 9, and by adding a subdivision.

Referred to the Committee on Education.

Mr. Cohen introduced—

S.F. No. 2002: A bill for an act relating to elections; changing the vote margin for an automatic recount at the state primary or general election; amending Minnesota Statutes 1988, section 204C.35, subdivision 1.

Referred to the Committee on Elections and Ethics.

Mr. Moe, D.M. introduced—

S.F. No. 2003: A bill for an act relating to retirement; local police or fire relief association consolidation process; establishing an annual maximum municipal contribution amount; amending Minnesota Statutes 1988, section 353A.09, subdivision 5.

Referred to the Committee on Governmental Operations.

Mr. Luther introduced—

S.F. No. 2004: A bill for an act relating to courts; delaying the effective date of the law requiring counties to pay filing fees in district court actions; exempting certain public authorities from paying filing fees in district court actions in certain circumstances; amending Minnesota Statutes Second 1989 Supplement, section 357.021, subdivision 1a; Laws 1989, chapter 335, article 3, section 58, as amended.

Referred to the Committee on Judiciary.

Mr. Storm introduced—

S.F. No. 2005: A bill for an act relating to traffic regulations; prohibiting commercial motor vehicles from operating on the cross-town highway; proposing coding for new law in Minnesota Statutes, chapter 169.

Referred to the Committee on Transportation.

Messrs. Marty, Dicklich and Ms. Piper introduced—

S.F. No. 2006: A bill for an act relating to utilities; providing for integrated resource planning for electric utilities; amending Minnesota Statutes 1988, sections 216B.16, subdivisions 6 and 6b; 216B.243, subdivision 3; and 216C.17, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 216B.

Referred to the Committee on Public Utilities and Energy.

Messrs. Solon, Purfeerst, Chmielewski and Metzen introduced—

S.F. No. 2007: A bill for an act relating to insurance; accident and health; requiring the state and its agencies and political subdivisions to make available plans of coverage that provide equal access to providers; amending Minnesota Statutes 1988, section 62E.03, subdivision 1.

Referred to the Committee on Commerce.

Mr. Solon introduced—

S.F. No. 2008: A bill for an act relating to consumer protection; regulating the disclosure of personal identification information on credit card transaction forms; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 325G.

Referred to the Committee on Commerce.

Mr. Knaak, Ms. Reichgott, Messrs. Frank, Novak and Ms. Olson introduced—

S.F. No. 2009: A bill for an act relating to education; giving intermediate school districts health and safety aid and levying authority; amending Minnesota Statutes 1988, sections 136D.27, subdivision 2; 136D.74, subdivision 2a; and 136D.87, subdivision 2; Minnesota Statutes 1989 Supplement, sections 136D.27, subdivision 3; 136D.74, subdivision 2b; and 136D.87, subdivision 3; Minnesota Statutes Second 1989 Supplement, section 124.83, subdivision 1.

Referred to the Committee on Education.

Mr. Diessner introduced—

S.F. No. 2010: A bill for an act relating to taxation; property; increasing the market value of homestead property subject to preferential class rates; amending Minnesota Statutes Second 1989 Supplement, section 273.13, subdivisions 22 and 23.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Beckman, Vickerman, DeCramer, Chmielewski and Anderson introduced—

S.F. No. 2011: A bill for an act relating to health; clarifying variance authority regarding training standards for ambulance attendants; establishing a state emergency medical services advisory council; amending Minnesota Statutes 1989 Supplement, section 144.804, subdivision 1; and proposing coding for new law in Minnesota Statutes, chapter 144.

Referred to the Committee on Health and Human Services.

Messrs. Moe, R.D. and Stumpf introduced—

S.F. No. 2012: A bill for an act relating to agriculture; providing that checkoff fees from certain potato producers are not refundable; amending Minnesota Statutes 1988, section 17.63.

Referred to the Committee on Agriculture and Rural Development.

Mr. Storm introduced—

S.F. No. 2013: A bill for an act relating to human rights; prohibiting housing discrimination against disabled persons because of their familial status; amending Minnesota Statutes 1988, section 363.12, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Mr. Storm introduced—

S.F. No. 2014: A bill for an act relating to human services; authorizing grants for research and development of new approaches to services for persons who are both mentally ill and chemically dependent; appropriating money.

Referred to the Committee on Health and Human Services.

Mr. Storm introduced—

S.F. No. 2015: A bill for an act relating to human services; authorizing loans to mental health residential programs for physical accessibility improvements; creating an exception to the maximum negotiated rates for residential programs receiving accessibility loans; amending Minnesota Statutes 1988, section 462A.05, by adding a subdivision; Minnesota Statutes 1989 Supplement, section 2561.05, subdivision 2.

Referred to the Committee on Health and Human Services.

Mr. Cohen introduced—

S.F. No. 2016: A bill for an act relating to health; eliminating restrictions on disclosing birth record of a child born to an unmarried woman; amending Minnesota Statutes 1988, section 144.225, subdivision 1; repealing Minnesota Statutes 1988, section 144.225, subdivisions 2 and 4; and Minnesota Rules, part 4600.1300.

Referred to the Committee on Judiciary.

Mr. Moe, D.M. introduced—

S.F. No. 2017: A bill for an act relating to the cities of Saint Paul and Minneapolis; intern training programs; amending Laws 1980, chapter 612, section 3, as amended.

Referred to the Committee on Governmental Operations.

Mrs. Lantry, Messrs. Samuelson; Johnson, D.E. and Diessner introduced—

S.F. No. 2018: A bill for an act relating to lawful gambling; defining lawful purposes for expenditures of gambling profits; establishing licensing

qualifications for organizations and manufacturers; requiring organizations to report monthly on expenditures and contributions of gambling profits; authorizing the gambling control board to require recipients of contributions of gambling profits to register with the board; authorizing summary suspension of gambling licenses for failure to file tax returns; authorizing a limited number of video pull-tab devices and establishing standards and requirements for them; requiring inspection and testing of gambling equipment; requiring permits for gambling premises; requiring gambling managers to be licensed; requiring that employees of organizations conducting lawful gambling be registered with the board; expanding allowable uses for revenue from local gambling taxes and requiring board approval of these taxes; abolishing lawful gambling on July 1, 1993; amending Minnesota Statutes 1988, sections 349.12, subdivision 10, and by adding subdivisions; 349.16, as amended; 349.17, as amended; 349.18, as amended; 349.19, as amended; 349.212, subdivision 5; 349.2121, subdivisions 1 and 4a; 349.2123; 349.30, subdivision 2; 349.31; 349.32; 349.34; 349.35, subdivision 1; 349.36; 349.38; 349.39; 349.50, subdivision 8; 349.55; 609.75, subdivision 4; Minnesota Statutes 1989 Supplement, sections 299L.03, by adding a subdivision; 340A.410, subdivision 5; 349.12, subdivisions 12 and 15; 349.151, subdivision 4; 349.152, subdivision 2, and by adding subdivisions; 349.161, as amended; 349.162; 349.163, as amended; 349.164; 349.2121, subdivision 2; 349.2122; 349.213, subdivision 2; 609.75, subdivision 3; 609.761, subdivision 1; Minnesota Statutes Second 1989 Supplement, sections 349.12, subdivisions 11 and 19; and 349.212, subdivisions 1 and 4; Laws 1989, First Special Session chapter 1, article 13, section 27; proposing coding for new law in Minnesota Statutes, chapter 349; repealing Minnesota Statutes 1988, sections 349.11, as amended; 349.12, as amended; 349.13; 349.14; 349.15, as amended; 349.16, as amended; 349.161, as amended; 349.162, as amended; 349.163, as amended; 349.164, as amended; 349.17, as amended; 349.18, as amended; 349.19, as amended; 349.211; 349.212, as amended; 349.2121, as amended; 349.2122, as amended; 349.2123; 349.2124; 349.2125, as amended; 349.2127, as amended; 349.213, as amended; 349.214, subdivisions 1, 1a, 3, and 4; 349.22, as amended; 349.23; Minnesota Statutes 1989 Supplement, sections 349.151, subdivisions 1, 2, 4, 4a, and 5; 349.152; 349.153; 349.20; 349.21; 349.215; 349.2151; 349.2152; 349.216; 349.217; 349.2171; 349.218; 349.219; Minnesota Statutes Second 1989 Supplement, section 349.214, subdivision 2.

Referred to the Committee on General Legislation and Public Gaming.

Mses. Piper, Berglin, Messrs. Benson, Frank and Mrs. Lantry introduced—

S.F. No. 2019: A bill for an act relating to human services; amending licensing data requirements under the data practices act; clarifying appropriate mental health outpatient services; amending the human services licensing act; defining drop-in child care; creating an exclusion from licensure; requiring a need determination for licensing; clarifying sanctions allowed against license holders; establishing requirements for receivership; amending Minnesota Statutes 1988, sections 13.46, subdivision 4; 245A.07, subdivision 3; 245A.08, subdivision 3; and 245A.16, subdivision 4; Minnesota Statutes 1989 Supplement, sections 245.470, subdivision 1; 245.488, subdivision 1; 245A.02, subdivision 6a; 245A.03, subdivision 2, and by adding a subdivision; 245A.04, subdivisions 3a and 3b; 245A.12; 245A.13;

and 245A.16, subdivision 1.

Referred to the Committee on Health and Human Services.

Messrs. Novak, Pogemiller, Pehler, Bernhagen and Benson introduced—

S.F. No. 2020: A bill for an act relating to taxation; property; changing the filing date of certain information reports; providing a 30-day period before personal property taxes become delinquent; amending Minnesota Statutes Second 1989 Supplement, sections 273.371, subdivision 1; and 277.01, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Knutson introduced—

S.F. No. 2021: A bill for an act relating to traffic regulations; requiring that loose materials hauled in a motor vehicle be adequately covered; amending Minnesota Statutes 1988, section 169.81, subdivision 5.

Referred to the Committee on Transportation.

Mmes. Pariseau, McQuaid and Mr. Anderson introduced—

S.F. No. 2022: A bill for an act relating to the legislature; changing the size of the legislature; restricting certain reapportionment procedures; amending Minnesota Statutes 1988, sections 2.021; and 2.031, subdivision 1.

Referred to the Committee on Elections and Ethics.

Ms. Berglin introduced—

S.F. No. 2023: A bill for an act relating to human services; modifying the preadmission screening and alternative care grants programs; revising the county allocation formula for the alternative care grants program; requiring a study and report; amending Minnesota Statutes 1988, section 256B.091, subdivision 4; Minnesota Statutes Second 1989 Supplement, section 256B.091, subdivision 8.

Referred to the Committee on Health and Human Services.

Messrs. Novak, Frank, Merriam and Dahl introduced—

S.F. No. 2024: A bill for an act relating to Anoka county; authorizing the sale or exchange of certain land.

Referred to the Committee on Local and Urban Government. Mr. Merriam questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

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

S.F. No. 2025: A bill for an act relating to taxation; sales and use; expanding the definition of chain saws used for logging; amending Minnesota Statutes 1988, section 297A.01, subdivision 15.

Referred to the Committee on Taxes and Tax Laws.

Ms. Piper, Mrs. Lantry, Mr. Johnson, D.J.; Mrs. Adkins and Mr. Anderson introduced—

S.F. No. 2026: A bill for an act relating to health; authorizing the creation of a technical advisory task force for emergency dispatch services; requiring the submission of a multidisciplinary report on training needs of emergency dispatchers operating within 911 systems.

Referred to the Committee on Health and Human Services.

Messrs. Brandl; Moe, R.D.; Benson; Larson and Waldorf introduced—

S.F. No. 2027: A bill for an act relating to education; establishing a program for the state to match gifts to endowments for certain undergraduate academic programs; directing the higher education coordinating board to administer the program; permitting rulemaking; proposing coding for new law in Minnesota Statutes, chapter 136A.

Referred to the Committee on Education.

Messrs. Moe, R.D.; Stumpf; Berg; Langseth and Larson introduced—

S.F. No. 2028: A bill for an act relating to the state agricultural society; including the Red River Valley Winter Shows as a state agricultural society member; amending Minnesota Statutes 1988, section 37.03, subdivision 1.

Referred to the Committee on Agriculture and Rural Development.

Mr. Schmitz introduced—

S.F. No. 2029: A bill for an act relating to taxation; providing for imposition of the Scott county admissions tax on full admissions; amending Laws 1987, chapter 285, section 1, subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Purfeerst, DeCramer, Mrs. Lantry and Mr. Frederick introduced—

S.F. No. 2030: A bill for an act relating to public safety; providing for inspection of commercial motor vehicles; setting fees; prescribing a penalty; increasing complement of state patrol; amending Minnesota Statutes 1988, sections 221.031, subdivision 1, and by adding a subdivision; 221.221, subdivisions 2 and 3; and 221.605, subdivision 1; Minnesota Statutes 1989 Supplement, section 221.031, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapter 169.

Referred to the Committee on Transportation.

Mrs. Pariseau, Messrs. Ramstad, Cohen and McGowan introduced—

S.F. No. 2031: A bill for an act relating to crimes; expanding the criminal vehicular operation crime to include repeat DWI offenders who negligently operate a vehicle and cause death or great bodily harm while having an alcohol concentration of 0.05 or more; amending Minnesota Statutes 1989 Supplement, section 609.21.

Referred to the Committee on Judiciary.

Mr. Bertram introduced—

S.F. No. 2032: A bill for an act relating to veterans; extending the program for free tuition at technical colleges for certain veterans; requiring a study and a report; amending Minnesota Statutes 1988, section 136C.13, subdivision 4.

Referred to the Committee on Veterans and Military Affairs.

Mr. Merriam introduced—

S.F. No. 2033: A bill for an act relating to crimes; regulating the use and possession of machine guns; amending Minnesota Statutes 1988, section 609.67, subdivision 3.

Referred to the Committee on Judiciary.

Messrs. Novak; Johnson, D.J.; Brandl; Pogemiller and Stumpf introduced—

S.F. No. 2034: A bill for an act relating to taxation; property; making technical corrections and administrative changes; providing for the management and cleanup of tax-forfeited lands; amending Minnesota Statutes 1988, sections 115B.02, subdivision 11; 115B.03, by adding a subdivision; 115C.02, subdivision 8; 115C.021, by adding a subdivision; 116.49, by adding a subdivision; 273.42, subdivision 1; 274.01, subdivision 1; 282.08; and 287.21, subdivision 2; Minnesota Statutes 1989 Supplement, sections 50.14, subdivision 4; 118.12; 168.013, subdivision 5; 273.01; 273.11, subdivision 1; 273.124, subdivision 9; 282.01, subdivision 1; 469.177, subdivision 1a; and 505.173, subdivision 1; Minnesota Statutes Second 1989 Supplement, sections 273.1391, subdivision 2; 273.1398, subdivisions 1, 2, 5a, and 6; 274.14; 274.175; 275.07, subdivision 3; and 275.51, subdivision 3h; Laws 1989, First Special Session chapter 1, articles 3, section 35; and 9, section 86; proposing coding for new law in Minnesota Statutes, chapter 282; repealing Minnesota Statutes 1988, section 272.70.

Referred to the Committee on Taxes and Tax Laws.

Mr. Luther introduced—

S.F. No. 2035: A bill for an act relating to real property; removing certain attestation and seal requirements relating to certain land registration instruments; amending Minnesota Statutes 1988, section 508.38

Referred to the Committee on Judiciary.

Messrs. Morse and Davis introduced—

S.F. No. 2036: A bill for an act relating to agriculture; changing certain dairy laws; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 32.21, subdivision 3; 32.391; 32.393; 32.394, subdivisions 1, 2, 4, 8, 8b, and by adding a subdivision; 32.415; 32.481; 32.529; 32.55, by adding subdivisions; 32A.03, subdivisions 2, 12, and by adding subdivisions; 32A.04, subdivision 1; and 32A.09, subdivisions 5, 6, and by adding subdivisions; and Minnesota Statutes 1989 Supplement, section 32.103; proposing coding for new law in Minnesota Statutes, chapters 32 and 32A.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Morse and Davis introduced—

S.F. No. 2037: A bill for an act relating to agriculture; changing the definition of farm products; changing provisions related to wholesale produce dealers; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 17.14, subdivision 3; 27.01, subdivisions 2, 3, 5, 8, and by adding a subdivision; 27.03, subdivision 1, and by adding a subdivision; 27.04; 27.041; 27.05; 27.06; and 27.19; proposing coding for new law in Minnesota Statutes, chapter 27.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Morse, Merriam, Dahl and Frederickson, D.J. introduced—

S.F. No. 2038: A bill for an act relating to the environment; requiring training for resource recovery personnel; amending Minnesota Statutes 1988, section 116.06, by adding a subdivision; and Minnesota Statutes 1989 Supplement, section 116.41, subdivision 2.

Referred to the Committee on Environment and Natural Resources.

Messrs. Morse, Purfeerst, Vickerman, Benson and DeCramer introduced—

S.F. No. 2039: A bill for an act relating to motor vehicles; exempting water well driller vehicles from certain registration and taxation requirements when the vehicles are only incidentally moved over a highway; amending Minnesota Statutes 1989 Supplement, section 168.011, subdivision 22.

Referred to the Committee on Transportation.

Messrs. Metzen, Solon, Freeman, Luther and Johnson, D.E. introduced—

S.F. No. 2040: A bill for an act relating to insurance; health and accident; providing coverage for outpatient mental and nervous disorder treatment under certain circumstances; amending Minnesota Statutes 1989 Supplement, section 62A.152, subdivision 2.

Referred to the Committee on Commerce.

Mr. Peterson, R. W. introduced—

S.F. No. 2041: A bill for an act relating to human services; authorizing the lease of property to provide state-operated, community-based programs; proposing coding for new law in Minnesota Statutes, chapter 245.

Referred to the Committee on Governmental Operations.

Ms. Berglin introduced—

S.F. No. 2042: A bill for an act relating to juveniles; providing for chemical use assessments of certain juveniles before case disposition; amending Minnesota Statutes 1988, section 260.151, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Spear introduced—

S.F. No. 2043: A bill for an act relating to crimes; defining “crime” for purposes of crime victims reparations; amending Minnesota Statutes 1988, section 611A.52, subdivision 6.

Referred to the Committee on Judiciary.

Mr. Spear introduced—

S.F. No. 2044: A bill for an act relating to liquor; authorizing an on-sale liquor license for the Minneapolis sports arena; amending Minnesota Statutes 1988, section 340A.504, subdivision 1; Minnesota Statutes 1989 Supplement, section 340A.404, subdivision 2.

Referred to the Committee on Commerce.

Mr. Spear and Ms. Reichgott introduced—

S.F. No. 2045: A bill for an act relating to judicial administration; proposing an amendment to the Minnesota Constitution, articles VI and VIII, creating a court of compensation appeals; abolishing the workers' compensation court of appeals; providing for designation by the governor of the chief judge of the workers' compensation court of appeals; regulating the administration of the workers' compensation court of appeals; appropriating money; amending Minnesota Statutes 1988, sections 3C.11, subdivision 3; 3C.12, subdivision 2; 5.08, subdivision 2; 10A.01, subdivision 19; 14.03, subdivision 2; 15A.082, subdivisions 1 and 3; 15A.083, subdivision 7; 43A.18, subdivision 3; 43A.27, subdivision 4; 175A.01, subdivision 1; 175A.02; 175A.07, subdivision 4; 176.421, subdivisions 5, 6, and by adding a subdivision; 204B.06, subdivisions 4 and 6; 204B.11, subdivision 1; 204B.34, subdivision 3, 204B.36, subdivision 4; 204D.02, subdivision 1; 204D.08, subdivision 6; 209.01, subdivision 2; 268.10, subdivision 8; 268.12, subdivision 13; 480.052; 480.054; 480.055, subdivision 1; 480.19; 480A.06, subdivision 3; 481.02, subdivisions 3 and 6; 490.15, subdivision 1; and 574.18; Minnesota Statutes 1989 Supplement, sections 10A.01, subdivisions 5 and 18; 357.08; proposing coding for new law as Minnesota Statutes, chapter 480B; repealing Minnesota Statutes 1988, sections 175A.01 to 175A.10; and 176.471.

Referred to the Committee on Employment.

Messrs. Spear, Ramstad and Merriam introduced—

S.F. No. 2046: A bill for an act relating to crime victims; providing for a notice for victims of sexual assault concerning their risk of developing sexually transmitted diseases; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 611A.

Referred to the Committee on Judiciary.

Messrs. Spear, Diessner and Ms. Flynn introduced—

S.F. No. 2047: A bill for an act relating to traffic regulations; regulating alcohol and chemical use assessments, programs, and funding relating to persons convicted of offenses associated with driving under the influence of alcohol or a controlled substance; amending Minnesota Statutes 1988, sections 169.121, subdivision 5; 169.124, subdivisions 1 and 2; and 169.126,

subdivisions 1, 4b, and 6; Minnesota Statutes 1989 Supplement, sections 169.121, subdivision 3b; 169.126, subdivision 4; and 260.193, subdivision 8; repealing Minnesota Statutes 1988, sections 169.124, subdivision 3; and 169.126, subdivisions 2 and 3; and Minnesota Statutes 1989 Supplement, section 169.126, subdivision 4a.

Referred to the Committee on Judiciary.

Mr. Laidig introduced—

S.F. No. 2048: A bill for an act relating to education; clarifying legislative intent concerning corporal punishment; amending Minnesota Statutes 1989 Supplement, section 127.45.

Referred to the Committee on Education.

Mr. Laidig introduced—

S.F. No. 2049: A bill for an act relating to highways; designating certain highway within a state wild, scenic, and recreational river corridor as possessing natural, scenic, historical, and aesthetic characteristics; protecting and maintaining these characteristics; allowing commissioner of transportation to provide state-aid funding; amending Minnesota Statutes 1988, section 86A.05, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Messrs. Stumpf; Johnson, D.J.; Diessner and Pogemiller introduced—

S.F. No. 2050: A bill for an act relating to taxation; making technical corrections and administrative changes to sales and use, motor vehicle excise, income, franchise, insurance, petroleum products, pull-tab and tip-board taxes, firefighter state aids, and property tax refunds; including lottery prizes as refunds in the revenue recapture act; providing for posting of certain tax delinquencies; requiring a social security number on certain probate applications; imposing a tax on untaxed pull-tabs and tipboards; recodifying license inquiry provisions; providing for payment and settlement of state elections campaign funds to political party state committees; transferring certain powers and duties; updating references to the Internal Revenue Code; amending Minnesota Statutes 1988, sections 60A.198, by adding a subdivision; 69.771, subdivision 3; 69.772, subdivision 2a; 69.774, subdivision 1; 168A.30, subdivision 1; 270A.03, subdivision 7; 290.17, subdivision 5; 290.39, subdivision 5; 290.49, subdivision 3; 290.92, subdivisions 12 and 23; 290.93, subdivision 1; 290A.03, subdivision 3; 290A.04, subdivision 1; 296.06, subdivision 2; 297A.01, subdivision 8; 297A.14, subdivision 1; 297A.25, subdivision 31; 297A.255, by adding a subdivision; 297B.01, subdivision 8; 297B.035, subdivision 1; 299F.21, subdivision 1; 349.212, by adding a subdivision; and 524.3-301; Minnesota Statutes 1989 Supplement, sections 69.021, subdivision 6; 168A.10, subdivision 1; 270.73, subdivision 1; 270B.07, by adding a subdivision; 290.01, subdivision 19; and 290.39, subdivision 4; Minnesota Statutes Second 1989 Supplement, sections 10A.31, subdivision 5; 60A.15, subdivision 1; 290.17, subdivision 2; 290A.04, subdivisions 2h and 2i; 297A.01, subdivision 3; 349.212, subdivision 4; and Laws 1989, chapter 28, section 24; repealing Minnesota Statutes 1988, sections 290.23, subdivision 15; 290.612; and 297A.431.

Referred to the Committee on Taxes and Tax Laws.

Mrs. Lantry and Ms. Berglin introduced—

S.F. No. 2051: A bill for an act relating to health; allowing a waiver of restrictions that may be placed upon controlling persons of a nursing home; amending Minnesota Statutes 1988, section 144A.04, subdivision 4.

Referred to the Committee on Health and Human Services.

Messrs. Marty; Peterson, R.W.; Knaak and Cohen introduced—

S.F. No. 2052: A bill for an act relating to government data practices; classifying social security numbers in the department of public safety as private data; prohibiting the release of motor vehicle or driver's license data lists for commercial purposes; amending Minnesota Statutes 1988, section 13.69, subdivision 1, and by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Pogemiller introduced—

S.F. No. 2053: A bill for an act relating to privacy of communications; prohibiting the recording of certain telephone conversations unless notice or consent is given; imposing penalties; amending Minnesota Statutes 1988, section 626A.02, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 626B.

Referred to the Committee on Judiciary.

Mr. Pogemiller introduced—

S.F. No. 2054: A bill for an act relating to courts; staggering the elections of chief judges and assistant chief judges; amending Minnesota Statutes 1988, section 484.69, subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1988, section 484.69, subdivision 2.

Referred to the Committee on Judiciary.

Mr. Pogemiller introduced—

S.F. No. 2055: A bill for an act relating to the city of Minneapolis; requiring the department of finance to refund a bond allocation deposit to the city of Minneapolis; appropriating money.

Referred to the Committee on Economic Development and Housing.

Mr. Pogemiller introduced—

S.F. No. 2056: A bill for an act relating to juveniles; providing for the retention of certain juvenile court records relating to sexual offenses; amending Minnesota Statutes 1988, section 260.161, subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Pogemiller and Ramstad introduced—

S.F. No. 2057: A bill for an act relating to elections; providing for persons who are permanently ill or disabled to automatically receive absentee ballot

applications before each election; amending Minnesota Statutes 1988, section 203B.04, by adding a subdivision.

Referred to the Committee on Elections and Ethics.

Messrs. Spear and Pogemiller introduced—

S.F. No. 2058: A bill for an act relating to crimes; prohibiting abuse and culpable neglect of patients receiving treatment from licensed health care facilities or programs; providing penalties; amending Minnesota Statutes 1988, sections 609.231; and 626.557, subdivision 19.

Referred to the Committee on Judiciary.

Messrs. Morse, Davis, Dahl and DeCramer introduced—

S.F. No. 2059: A bill for an act relating to water; mandating requirements on certain development; proposing coding for new law in Minnesota Statutes, chapter 110B.

Referred to the Committee on Environment and Natural Resources.

Messrs. DeCramer, Purfeerst and Langseth introduced—

S.F. No. 2060: A bill for an act relating to drivers' licenses; defining gross vehicle weight and commercial motor vehicle; requiring driver of smaller school bus to have a commercial driver's license with a school bus endorsement; providing for operation of vehicles by holder of class C driver's license; providing for effective date of requirement for commercial driver's license; setting fees; appropriating money; amending Minnesota Statutes 1988, sections 169.01, subdivision 46; 171.01, subdivision 16; and 171.321, subdivision 1; Minnesota Statutes 1989 Supplement, sections 169.01, subdivision 75; 171.01, subdivision 22; 171.02, subdivision 2; and 171.06, subdivision 2; Laws 1989, chapter 307, sections 43 and 44.

Referred to the Committee on Transportation.

Messrs. Knaak; Peterson, R.W. and Merriam introduced—

S.F. No. 2061: A bill for an act relating to privacy of communications; including cordless telephones in the privacy of communications act; amending Minnesota Statutes 1988, section 626A.01, subdivisions 3 and 14.

Referred to the Committee on Judiciary.

Ms. Reichgott, Mr. Spear, Ms. Berglin and Mrs. Pariseau introduced—

S.F. No. 2062: A bill for an act relating to children; creating a legislative commission on children; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 3.

Referred to the Committee on Health and Human Services.

Mr. Frederickson, D.J. introduced—

S.F. No. 2063: A bill for an act relating to health; requiring an environmental impact statement for burning of PCBs; authorizing counties to be compensated for human health risks; requiring permits and local approval

before burning PCBs; requiring a report to the public utilities commission and a return of savings to ratepayers; amending Minnesota Statutes 1988, section 116.36, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 116.

Referred to the Committee on Environment and Natural Resources.

Mr. Luther introduced—

S.F. No. 2064: A bill for an act relating to commercial transactions; adopting an article of the uniform commercial code that governs funds transfers; amending Minnesota Statutes 1989 Supplement, section 336.1-105; proposing coding for new law in Minnesota Statutes, chapter 336.

Referred to the Committee on Judiciary.

ADJOURNMENT

Mr. Luther moved that the Senate do now adjourn until 2:00 p.m., Monday, February 26, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-FOURTH DAY

St. Paul, Minnesota, Monday, February 26, 1990

The Senate met at 2:00 p.m. and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. David Kiel.

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

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

Adkins	Davis	Johnson, D.E.	McQuaid	Pogemiller
Anderson	Decker	Johnson, D.J.	Mehrkens	Purfeerst
Beckman	DeCramer	Knaak	Merriam	Ramstad
Belanger	Dicklich	Knutson	Metzen	Reichgott
Benson	Diessner	Kroening	Moe, D.M.	Renneke
Berg	Flynn	Laidig	Moe, R.D.	Samuelson
Berglin	Frank	Langseth	Morse	Schmitz
Bernhagen	Frederick	Lantry	Novak	Solon
Brandl	Frederickson, D.J.	Larson	Pariseau	Spear
Brataas	Frederickson, D.R.	Lessard	Pehler	Storm
Chmielewski	Freeman	Luther	Peterson, R. W.	Stumpf
Cohen	Gustafson	Marty	Piepho	Vickerman
Dahl	Hughes	McGowan	Piper	Waldorf

The President declared a quorum present.

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

MEMBERS EXCUSED

Mr. Bertram and Ms. Olson were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

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

July 7, 1989

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Elliott Perovich, 863 River Ln., Anoka, Anoka County, has been appointed by me, effective August 1, 1989, for a term expiring the first Monday in January, 1991.

(Referred to the Committee on Transportation.)

February 14, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Doris Caranicas, 2425 E. Franklin Ave., Minneapolis, Hennepin County, has been appointed by me, effective August 9, 1989, for a term expiring the first Monday in January, 1993.

Terrance O'Toole, 1009 Summit Ave., St. Paul, Ramsey County, has been appointed by me, effective August 9, 1989, for a term expiring the first Monday in January, 1993.

(Referred to the Committee on Transportation.)

Sincerely,
Rudy Perpich, Governor

REPORTS OF COMMITTEES

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1739: A bill for an act relating to metropolitan government; clarifying provisions for compensation; amending Minnesota Statutes 1988, sections 473.123, subdivision 5; and 473.141, subdivision 7; Minnesota Statutes 1989 Supplement, sections 473.605, subdivision 2; and 473.704, subdivision 6.

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1777: A bill for an act relating to Ramsey county; setting the terms of charter commission members; amending Minnesota Statutes 1988, section 383A.553, subdivision 1.

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 576: A bill for an act relating to human services; providing that medical certification for general assistance benefits may be made by a licensed chiropractor; amending Minnesota Statutes 1988, section 256D.02, by adding a subdivision.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 256D.02, is amended by adding a subdivision to read:

Subd. 17. [MEDICALLY CERTIFIED OR MEDICAL CERTIFICATION.] “Medical certification” means:

(1) a statement about a person’s illness, injury, or incapacity that is signed by a licensed physician, licensed consulting psychologist, or licensed psychologist, whose professional training and experience qualifies him or her to diagnose and certify the person’s condition; or

(2) a statement about an incapacity involving a spinal subluxation condition that is signed by a licensed chiropractor whose professional training and experience qualifies him or her to diagnose and certify the condition.”

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1789: A bill for an act relating to health; defining the term practitioner for the purpose of dispensing medicines and drugs; prohibiting the dispensing of legend drugs for profit by anyone other than a pharmacist; amending Minnesota Statutes 1988, section 151.37, subdivision 2.

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

Page 1, delete lines 18 to 25 and insert:

“(b) A licensed practitioner that dispenses for profit a legend drug that is to be administered orally and is not a vaccine must file with the board a statement indicating that the practitioner dispenses legend drugs for profit, the general circumstances under which the practitioner dispenses for profit, and the types of legend drugs generally dispensed. It is unlawful to dispense legend drugs for profit after July 31, 1990, unless the statement has been filed with the board. For purposes of this paragraph, “profit” means any amount received by the practitioner in excess of the acquisition cost and dispensing of a legend drug. This paragraph does not apply to a licensed doctor of veterinary medicine or a registered pharmacist.”

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1813: A bill for an act relating to human services; amending the Medicare certification requirement for nursing homes; amending Minnesota Statutes 1989 Supplement, section 256B.48, subdivision 6.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 256B.48, subdivision 6, is amended to read:

Subd. 6. [MEDICARE CERTIFICATION.] (a) [DEFINITION.] For purposes of this subdivision, "nursing facility" means a nursing home that is certified as a skilled nursing facility or, after September 30, 1990, a nursing home licensed under chapter 144A that is certified as a nursing facility.

(b) [~~FULL MEDICARE PARTICIPATION REQUIRED.~~] All nursing facilities shall ~~fully~~ participate in Medicare part A and part B unless, after submitting an application, Medicare certification is denied by the federal health care financing administration. Medicare review shall be conducted at the time of the annual medical assistance review. Charges for Medicare-covered services provided to residents who are simultaneously eligible for medical assistance and Medicare must be billed to Medicare part A or part B before billing medical assistance. Medical assistance may be billed only for charges not reimbursed by Medicare.

(c) [UNTIL SEPTEMBER 30, 1990.] Until September 30, 1990, a nursing facility satisfies the requirements of paragraph (b) if: (1) at least 50 percent of the facility's beds that are licensed under section 144A and certified as skilled nursing beds under the medical assistance program are Medicare certified; or (2) if a nursing facility's beds are licensed under section 144A, and some are medical assistance certified as skilled nursing beds and others are Medical assistance certified as intermediate care facility I beds, at least 50 percent of the facility's total skilled nursing beds and intermediate care facility I beds or 100 percent of its skilled nursing beds, whichever is less, are Medicare certified.

(d) [~~OCTOBER 1, 1990, TO JUNE 30, 1991~~ AFTER SEPTEMBER 30, 1990.] After September 30, 1990, ~~and until June 30, 1991,~~ a nursing facility satisfies the requirements of paragraph (b) if at least 50 percent of the facility's beds certified as nursing facility beds under the medical assistance program are Medicare certified.

(e) [~~AFTER JUNE 30, 1991.~~] After June 30, 1991, a nursing facility satisfies the requirements of paragraph (b) if 100 percent of the facility's beds that are certified as nursing facility beds under the medical assistance program are Medicare certified.

(f) [PROHIBITED TRANSFERS.] A resident in a skilled nursing bed or, after September 30, 1990, a resident in any nursing facility bed, who is eligible for medical assistance and who becomes eligible for Medicare has the right to refuse an intrafacility skilled nursing bed transfer if the commissioner approves the exception request based on written documentation submitted by a physician that the transfer would create or contribute to a health problem for the resident. A resident who is occupying a skilled nursing bed or, after September 30, 1990, a nursing facility bed certified

by the medical assistance and Medicare programs, has the right to refuse a transfer if the resident's bed is needed for a Medicare-eligible patient or private-pay patient and if the commissioner approves the exception based on written documentation submitted by a physician that the transfer would create or contribute to a health problem for the resident. [CONFLICT WITH MEDICARE DISTINCT PART REQUIREMENTS.] *At the request of a facility, the commissioner of human services may reduce the 50 percent Medicare participation requirement in paragraphs (c) and (d) to no less than 20 percent if the commissioner of health determines that, due to the facility's physical plant configuration, the facility cannot satisfy Medicare distinct part requirements at the 50 percent certification level. To receive a reduction in the participation requirement, a facility must demonstrate that the reduction will not adversely affect access of Medicare-eligible residents to Medicare-certified beds.*

~~(g)~~ (f) [INSTITUTIONS FOR MENTAL DISEASE.] The commissioner may grant exceptions to the requirements of paragraph (b) for nursing facilities that are designated as institutions for mental disease.

~~(h)~~ (g) [NOTICE OF RIGHTS.] The commissioner shall inform recipients of their rights under this subdivision and section 144.651, subdivision 29."

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1758: A bill for an act relating to health; requiring the licensing of wholesale drug distributors; providing penalties; appropriating money; amending Minnesota Statutes 1988, sections 151.06, subdivision 1; and 151.25; proposing coding for new law in Minnesota Statutes, chapter 151.

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

Page 4, line 17, delete "(d)" and insert "(f)"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1728: A bill for an act relating to human services; clarifying the distribution of state aids under the community social services act; amending Minnesota Statutes 1988, section 256E.06, subdivisions 2 and 7.

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

Page 2, after line 6, insert:

"(d) For the purpose of calculating the 1991 community social services act allocation, the 1990 allocation must be increased by the following amounts: \$46,487 for Crow Wing county, \$21,995 for Fillmore county, \$5,368 for Hubbard county, \$24,225 for Lac Qui Parle county, and \$4,444 for Red Lake county."

Page 2, line 21, after the period, insert "*This provision applies to penalties imposed for the year 1989 and all subsequent years.*"

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

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 1950: A bill for an act relating to housing; establishing a local government housing account that may be used for transitional housing, public housing modernization and rehabilitation, and subsidized rental housing preservation; establishing a council on homelessness; providing for a housing and redevelopment authority property service charge in lieu of property taxes; appropriating nonrefundable bond allocation deposits to the housing trust fund account; appropriating money; amending Minnesota Statutes 1988, sections 462A.201, subdivision 2; 469.040, by adding a subdivision; and 474A.21; proposing coding for new law in Minnesota Statutes, chapter 462A.

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

Page 1, line 28, strike "at the time the"

Page 1, line 29, strike everything before "30" and insert "*does not exceed*"

Page 2, line 23, after "*nonprofit*" insert "*or for profit*"

Page 2, line 29, after "*units*" insert "*from funds specifically appropriated by the legislature for that purpose*"

Page 3, line 1, after "*nonprofit*" insert "*or for profit*"

Pages 3 and 4, delete sections 3 and 4 and insert:

"Sec. 3. [462A.29] [INTERAGENCY COORDINATION ON HOMELESSNESS.]

The agency shall coordinate services and activities of all state agencies relating to homelessness. The agency shall coordinate an investigation and review of the current system of service delivery to the homeless. The agency may request assistance from other agencies of state government as needed for the execution of the responsibilities under this section and the other agencies shall furnish the assistance upon request."

Page 4, line 20, after "*authority*" insert "*sells or*"

Page 4, line 31, after "*corporation*" insert "*or limited dividend entity*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "establishing a council" and insert "requiring state interagency coordination"

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

Mrs. Lantry from the Committee on General Legislation and Public Gaming, to which was referred

S.F. No. 1853: A bill for an act relating to lawful gambling; expanding definition of contraband; extending deadline for inventory of seized contraband; authorizing seizing authorities to use proceeds from forfeited contraband; prohibiting possession or sale of unregistered video pull-tab devices; prohibiting altered or counterfeit gambling equipment and possession thereof; prohibiting organizations from accepting checks for gambling equipment or chances; requiring posting of penalties for receiving cash on video games of chance; subjecting illegally used gambling equipment to forfeiture; providing penalties; amending Minnesota Statutes 1988, sections 349.2125, subdivision 4; 349.2127, by adding a subdivision; and 609.762, subdivision 1; Minnesota Statutes 1989 Supplement, sections 349.2125, subdivisions 1 and 3; 349.2127, subdivision 2; 349.22, subdivisions 1 and 3; 349.501, subdivision 1; 349.502, subdivision 1; and 609.76, subdivision 1.

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 447: A bill for an act relating to transportation; authorizing special permits for 110-foot combinations of four vehicles to operate, with restrictions, on interstate highways; setting permit fees; providing for designation of interchanges, streets, highways, and rest areas; requiring a study and report to the legislature; appropriating money; amending Minnesota Statutes 1988, sections 169.81, subdivision 2; and 169.86, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 169.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1989 Supplement, section 169.81, subdivision 2, is amended to read:

Subd. 2. [LENGTH OF VEHICLES.] (a) No single unit motor vehicle, except mobile cranes which may not exceed 48 feet, unladen or with load may exceed a length of 40 feet extreme overall dimensions inclusive of front and rear bumpers, except that the governing body of a city is authorized by permit to provide for the maximum length of a motor vehicle, or combination of motor vehicles, or the number of vehicles that may be fastened together, and which may be operated upon the streets or highways of a city; provided, that the permit may not prescribe a length less than that permitted by state law. A motor vehicle operated in compliance with the permit on the streets or highways of the city is not in violation of this chapter.

(b) No single semitrailer may have an overall length, exclusive of non-cargo-carrying accessory equipment, including refrigeration units or air compressors, necessary for safe and efficient operation mounted or located on the end of the semitrailer adjacent to the truck or truck-tractor, in excess of 48 feet, except that a single semitrailer may have an overall length in excess of 48 feet but not greater than 53 feet if the distance from the kingpin to the centerline of the rear axle group of the semitrailer does not exceed 41 feet. No single trailer may have an overall length inclusive of tow bar

assembly and exclusive of rear protective bumpers which do not increase the overall length by more than six inches, in excess of 45 feet. For determining compliance with the provisions of this subdivision, the length of the semitrailer or trailer must be determined separately from the overall length of the combination of vehicles.

(c) No semitrailer or trailer used in a three-vehicle *or* four-vehicle combination may have an overall length, exclusive of non-cargo-carrying accessory equipment, including refrigeration units or air compressors, necessary for safe and efficient operation mounted or located on the end of the semitrailer or trailer adjacent to the truck or truck-tractor, and further exclusive of the tow bar assembly, in excess of 28-1/2 feet. The commissioner may not grant a permit authorizing the movement, in a three-vehicle *or* four-vehicle combination, of a semitrailer or trailer that exceeds 28-1/2 feet, except that the commissioner may renew a permit that was granted before April 16, 1984, for the movement of a semitrailer or trailer that exceeds the length limitation in this paragraph.

Sec. 2. Minnesota Statutes 1989 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) motor vehicles which travel on interstate highways and carry loads authorized under subdivision 1a;

(4) motor vehicles operating with gross weights authorized under section 169.825, subdivision 11, paragraph (a), clause (3); and

(5) 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

Weight (pounds) exceeding weight limitations on axles	Cost Per Mile For Each Group Of:		
	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).

(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) For a four-vehicle combination granted a special permit under section 3, the fee for each one-way trip permit limited to 300 miles is \$10, and the fee for each 24-hour permit is \$15.

The commissioner shall adjust these fees by adding up to \$10 per permit if the permit fees have not raised \$115,000 by the end of fiscal year 1991.

Sec. 3. [169.864] [FOUR-VEHICLE COMBINATION DEMONSTRATION PROGRAM.]

Subdivision 1. [PERMITS.] The commissioner may establish a four-vehicle combination demonstration program under which the commissioner may issue a special permit for a four-vehicle combination consisting of a truck and three semitrailers. A special permit issued under this section is not valid after August 31, 1993. The commissioner shall immediately revoke the trip permit if the driver or motor carrier violates this section, section 4 or 5, or a permit condition. In addition, the driver is subject to prosecution under section 169.89. Before granting a special permit, the commissioner shall certify the motor carrier under subdivision 2. A motor carrier certified to operate four-vehicle combinations must provide to the commissioner reports and data on accidents, operational costs, safety inspections, equipment, maintenance, and any other item as required by the commissioner. The commissioner may not take any action under this section that would result in a loss of federal highway money to the state.

Subd. 2. [CERTIFICATION OF CARRIERS AND REVOCATION OF CERTIFICATION.] (a) The commissioner may certify a motor carrier for participation under this section only if:

(1) the commissioner determines that the carrier has an established and aggressive safety program, including a documented driver training and certification program that conforms to state and federal driver licensing laws;

(2) the commissioner determines that the carrier has access to adequate terminals or other staging areas; and

(3) the commissioner has considered the motor carrier's qualifications including its: (i) maintenance program, (ii) safety history, with emphasis on experience with and safe operation of three-vehicle combinations, and (iii) record of satisfactory compliance with other traffic and operational laws and rules, such as driver qualification requirements.

(b) The commissioner may suspend a carrier's certification, without notice, for reasonable cause. The commissioner shall provide an opportunity for an informal hearing within ten days after the suspension. The suspension and hearing are not governed by chapter 14. The commissioner shall consider the frequency, nature, and severity of violations by a carrier in imposing progressive suspensions of the carrier's certification. The commissioner may revoke a carrier's certification under guidelines adopted by the commissioner.

Subd. 3. [DESIGNATED FACILITIES.] (a) An applicant for a permit or a permit holder may request the commissioner to designate an interstate highway, access route, interchange, rest area, or entry and exit points for use by permitted vehicles. The commissioner may not designate a facility unless the commissioner finds that the facility meets conditions necessary to safely accommodate the permitted combinations. For purposes of this section, an "entry point" does not include any area that is not under the jurisdiction of a road authority.

(b) If the designated facility is under the jurisdiction of a local road authority, the designation is not effective until it is approved by a resolution of the governing body of the local authority and the local authority has forwarded to the commissioner the resolution of approval.

Subd. 4. [GUIDELINES.] The commissioner shall adopt guidelines to govern company and driver qualifications, equipment, weather conditions, holiday and construction zone restrictions, routing, suspension and revocation of permits and carriers' certification authority and other factors assuring safe operation. Adoption of the guidelines is exempt from chapter 14, including section 14.38, subdivisions 5 to 9. The commissioner shall distribute the guidelines to all interested parties.

Subd. 5. [PERMIT RESTRICTIONS.] (a) The permitted combination may travel only on interstate highways and facilities designated under subdivision 2, except as provided in this subdivision.

(b) The combination may also travel up to ten miles on a highway that crosses an interstate highway to a terminal or staging area that is owned or leased by the permitted carrier, or up to one mile on a designated highway to a truck stop approved by the commissioner and local road authority. The combination may enter and exit from an interstate highway or rest area only at entry and exit points designated by the commissioner under subdivision 2.

(c) When traveling on an interstate highway, the combination must travel in the right-hand lane, except to pass another vehicle, to avoid an obstruction, to allow for merging traffic, or to make an exit on the left.

Subd. 6. [RESTRICTIONS IN METROPOLITAN AREA.] (a) Between the hours of 5:30 a.m. and 10:00 p.m., a permitted combination may not travel:

(1) within that part of the seven-county metropolitan area that is bounded by and includes the connecting rights-of-way of marked interstate highways 494 and 694 and the segment of marked interstate highway 94 that connects interstate highways 494 and 694 in the cities of Brooklyn Center and Maple Grove;

(2) on marked interstate highway 35W between the 95th Avenue NE exit in the city of Blaine and the restricted area described in clause (1);

(3) on marked interstate highway 35W between the marked interstate highway 35E junction in the city of Burnsville and the restricted area described in clause (1); or

(4) on that portion of marked interstate highway 35 east of 27th Avenue West in Duluth.

(b) When traveling within the areas restricted by this subdivision, the combination may travel only on interstate highways that are designated access routes and at times specified by the commissioner.

Subd. 7. [HAZARDOUS MATERIALS.] A permitted combination may not transport:

(1) class A and B explosives as defined in Code of Federal Regulations, title 49, sections 173.53 and 173.88;

(2) radioactive materials as defined in Code of Federal Regulations, title 49, section 173.403, paragraphs (h), (i), (j), and (l); or

(3) bulk quantities of hazardous materials as defined in Code of Federal Regulations, title 49, section 171.8, including gasoline, special fuel, fuel oil, and heating oil.

Subd. 8. [LENGTH AND WEIGHT RESTRICTIONS.] A permitted combination may not exceed an overall length of 110 feet. A permitted combination may not exceed the weight restrictions of section 169.825, except that the total gross weight may be up to 105,500 pounds, subject to the special conditions of the permit.

Subd. 9. [COMMISSIONER MAY END PROGRAM.] Until August 31, 1993, the commissioner may suspend operation of the four-vehicle program for good cause. The commissioner shall give advance notice of suspending the program to all participating carriers. Participating carriers have the right to respond to the proposed suspension in writing or in an informal hearing with the commissioner. The hearing is not governed by chapter 14.

Sec. 4. [169.865] [FOUR-VEHICLE COMBINATIONS; SAFETY REQUIREMENTS.]

Subdivision 1. [UNSAFE CONDITIONS.] (a) The commissioner may suspend or restrict operation of the four-vehicle combinations due to weather conditions, construction, or holiday traffic.

(b) A motor carrier may not dispatch a four-vehicle combination during hazardous conditions. A driver who encounters a condition that the driver determines is dangerous shall proceed to the nearest exit or turnout. Hazardous conditions means conditions caused by snow, ice, sleet, fog, mist, rain, dust, or smoke that adversely affect visibility or traction. Dangerous conditions means hazardous conditions and also includes an equipment problem that makes it difficult to safely operate the combination.

(c) The state patrol and other law enforcement agencies have authority to order four-vehicle combinations to cease operations immediately due to unsafe conditions and to resume operation only when the unsafe conditions no longer exist.

Subd. 2. [DRIVERS.] A motor carrier may not allow a person to drive a four-vehicle combination unless the driver:

- (1) is experienced in driving truck-trailer combinations;*
- (2) has a good driving record;*
- (3) fully complies with all driver's requirements under applicable state and federal law;*
- (4) has documented special training in the operation of a four-vehicle combination before operating a combination on a highway; and*
- (5) is supervised and controlled by the motor carrier holding the special permit.*

Subd. 3. [SPEED.] The maximum speed for a four-vehicle combination under a special permit is the posted speed limit.

Subd. 4. [STABILITY.] All four-vehicle combinations must be stable at all times during normal braking and normal operation. A four-vehicle combination when traveling on a level, smooth, paved surface must follow in the path of the towing vehicle without shifting or swerving more than three inches to either side when the towing vehicle is moving in a straight line.

Subd. 5. [LOAD SEQUENCE.] A trailer or semitrailer may not be placed ahead of another trailer or semitrailer that carries a load 5,000 or more

pounds heavier. An empty trailer or semitrailer must not precede a loaded trailer or semitrailer.

Subd. 6. [ACCIDENT REPORTS.] Accidents involving a permitted four-vehicle combination resulting in death, injury, or \$4,500 in property damage must be reported to the state patrol immediately. This report is in addition to other required reports. Other accidents must be reported under section 169.09.

Subd. 7. [PENALTIES.] A motor carrier's failure to comply with this section is grounds for suspension or revocation of the motor carrier's certification.

Sec. 5. [169.866] [FOUR-VEHICLE COMBINATION EQUIPMENT REQUIREMENTS.]

Subdivision 1. [POWER.] A permitted combination must be powered to provide adequate acceleration ability and hill climbing ability under normal operating conditions, and to operate on level grades at speeds compatible with other traffic. The combination must be able to maintain a minimum speed of 40 miles per hour under normal operating conditions on any grade over which the combination is operated.

Subd. 2. [TRACTION.] A permitted combination must have adequate traction to maintain a minimum speed of 40 miles per hour under normal operating conditions on any grade over which the combination is operated and to be able to resume a speed of 40 miles per hour after stopping on any grade and, except in extreme road or weather conditions, to negotiate at an appropriate speed all grades encountered.

Subd. 3. [TIRES.] Each individual single and tandem axle must have tires of the same size and construction, whether radial or non-radial. Tires must be properly inflated for the load being carried.

Subd. 4. [FIFTH WHEEL.] A heavy duty fifth wheel is required. All fifth wheels must be clean and lubricated with a light duty grease.

Subd. 5. [PICK-UP PLATES.] Pick-up plates must be of strength equal to the fifth wheel.

Subd. 6. [KING PIN.] The king pin must be of a solid type and permanently fastened. Screw-out or folding-type king pins are prohibited.

Subd. 7. [PINTLE HOOK AND EYE.] All hitch connections must be of a no-slack type, preferably an air-actuated ram. If air-actuated hitches are used, they must be isolated from the primary air transmission system.

Subd. 8. [DRAWBAR.] The drawbar length must be consistent with both proper weight distribution and the clearances required between trailers for turning and backing maneuvers.

Subd. 9. [BRAKES.] All braking systems must comply with state and federal requirements. In addition, fast air transmission and release valves must be provided for all trailers, semitrailers, and converter dollies.

Subd. 10. [MUD FLAPS.] Anti-sail type mud flaps or splash guards are required.

Subd. 11. [COMBINATIONS MUST COMPLY.] A motor carrier may not dispatch a four-vehicle combination that violates this section.

Sec. 6. [STUDY REQUIRED.]

The commissioner of transportation shall conduct a study of the four-vehicle combinations permitted under section 3. The study must include, but need not be limited to:

- (1) the revenue impact of permitting the four-vehicle combinations;*
- (2) the need for and cost of modifications to rest areas, interchanges, intersecting highways, and entry and exit points;*
- (3) the economic benefits to industry and the state economy;*
- (4) the accident experience of the four-vehicle combinations;*
- (5) the amount of damage to pavement, bridges, and highway appurtenances caused or relieved by the use of four-vehicle combinations;*
- (6) the effects of permitting the four-vehicle combinations on the state's exposure to tort liability; and*
- (7) the degree of public acceptance of the four-vehicle combinations.*

The commissioner shall select an impartial consultant to conduct the study. The commissioner shall report the results of the study to the chairs of the transportation committees of the senate and house of representatives by January 1, 1993.

Sec. 7. [PERMIT FEE SURCHARGE.]

A surcharge of \$5 is added to each permit fee imposed by Minnesota Statutes, section 169.86, subdivision 5, paragraph (h), until the surcharge raises \$280,000.

Sec. 8. [APPROPRIATION; COMPLEMENT.]

(a) \$280,000 is appropriated from the trunk highway fund to the commissioner of transportation to pay the cost of the demonstration program study, the cost of rest area modifications, and the initial administrative costs of the permit program. This appropriation is available until spent.

(b) \$111,500 for fiscal year 1991 is appropriated to the commissioner of transportation from the trunk highway fund for administration of the four-vehicle permit program.

(c) The complement of the department of transportation is temporarily increased by three positions. On August 31, 1993, the complement of the department of transportation is decreased by three positions.

Sec. 9. [REPEALER.]

Sections 3, 4, and 5 are repealed.

Sec. 10. [EFFECTIVE DATE.]

Section 9 is effective September 1, 1993."

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "imposing safety and equipment requirements;"

Page 1, line 8, delete "1988" and insert "1989 Supplement"

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

Mr. Bertram from the Committee on Veterans and Military Affairs, to which was referred

S.F. No. 1880: A bill for an act relating to veterans; providing for an executive director appointed by the veterans homes board; amending Minnesota Statutes 1988, section 198.004.

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

Mr. Bertram from the Committee on Veterans and Military Affairs, to which was referred

S.F. No. 1794: A bill for an act relating to veterans; redefining the term "veteran"; amending Minnesota Statutes 1988, section 197.447.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 197.447, is amended to read:

197.447 [VETERAN, DEFINED.]

The word "veteran" as used in *Minnesota Statutes except in sections 43A.11, 196.02, 196.07, 197.59, 197.60, 136C.13, 196.21, 197.971, and 202.038 243.251*, means ~~any person~~ *a citizen of the United States or a resident alien* who has been separated under honorable conditions from any branch of the armed forces of the United States after having served on active duty for 181 consecutive days or by reason of disability incurred while serving on active duty, ~~and who is a citizen of the United States or resident alien~~ *or who has active military service certified under section 401, Public Law Number 95-202. The active military service must be certified by the United States Secretary of Defense as active military service and a discharge under honorable conditions must be issued by the Secretary."*

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F. No. 488: A bill for an act relating to public employment; defining equitable compensation relationships; requiring an implementation report; providing for review of plans; providing for appeals from a decision of the commissioner; amending Minnesota Statutes 1988, sections 471.992, by adding subdivisions; 471.9981, subdivision 6, and by adding subdivisions.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 471.991, subdivision 5, is amended to read:

Subd. 5. [EQUITABLE COMPENSATION RELATIONSHIP.] "Equitable

compensation relationship" means that a ~~primary consideration in negotiating, establishing, recommending, and approving total~~ the compensation for female-dominated classes is not consistently below the compensation for male-dominated classes of comparable work value in relationship to other employee positions, as determined under section 471.994, within the political subdivision.

Sec. 2. Minnesota Statutes 1988, section 471.992, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] Subject to sections 179A.01 to 179A.25 but notwithstanding any other law to the contrary, every political subdivision of this state shall establish equitable compensation relationships between female-dominated, male-dominated, and balanced classes of employees in order to eliminate sex-based wage disparities in public employment in this state. A primary consideration in negotiating, establishing, recommending, and approving total compensation is comparable work value in relationship to other employee positions within the political subdivision. This subdivision does not require a political subdivision to increase the compensation of a class for which any undercompensation cannot be attributed to the sex of the members dominating the class.

Sec. 3. Minnesota Statutes 1988, section 471.992, subdivision 2, is amended to read:

Subd. 2. [ARBITRATION.] In all interest arbitration involving a class other than a balanced class held pursuant to under sections 179A.01 to 179A.25, the arbitrator shall consider the equitable compensation relationship standards established in this section, and the standards established under section 471.993, together with other standards appropriate to interest arbitration. The arbitrator shall consider both the results of a job evaluation study and any employee objections to the study. In interest arbitration involving a balanced class, the arbitrator may consider the standards established under this section and the results of, and any employee objections to, a job evaluation study, but shall also consider similar or like classifications in other political subdivisions and in the external private marketplace.

Sec. 4. Minnesota Statutes 1988, section 471.992, is amended by adding a subdivision to read:

Subd. 4. [COLLECTIVE BARGAINING.] In collective bargaining involving a balanced class, a political subdivision may consider the equitable compensation relationship standards established by this section and the results of a job evaluation study, but shall also consider similar or like classifications in other political subdivisions and in the external private marketplace as well.

Sec. 5. Minnesota Statutes 1988, section 471.994, is amended to read:

471.994 [JOB EVALUATION SYSTEM.]

Every political subdivision shall use a job evaluation system in order to determine the comparable work value of the work performed by each class of its employees. The system must be maintained and updated to account for new employee classes and any changes in factors affecting the comparable work value of existing classes. A political subdivision that substantially modifies its job evaluation system or adopts a new system shall notify the commissioner. The political subdivision may use the system of

some other public employer in the state. Each political subdivision shall meet and confer with the exclusive representatives of their employees on the development or selection of a job evaluation system.

Sec. 6. Minnesota Statutes 1988, section 471.998, is amended by adding a subdivision to read:

Subd. 3. [PUBLIC DATA.] The report required by subdivision 1 is public data governed by chapter 13.

Sec. 7. Minnesota Statutes 1988, section 471.9981, is amended by adding a subdivision to read:

Subd. 5a. [IMPLEMENTATION REPORT.] By January 31, 1992, each political subdivision shall submit to the commissioner an implementation report that includes the following information as of December 31, 1991:

- (1) a list of all job classes in the political subdivision;*
- (2) the number of employees in each class;*
- (3) the number of female employees in each class;*
- (4) an identification of each class as male-dominated, female-dominated, or balanced as defined in section 471.991;*
- (5) the comparable work value of each class as determined by the job evaluation used by the subdivision in accordance with section 471.994;*
- (6) the minimum and maximum salary for each class, if salary ranges have been established, and the amount of time in employment required to qualify for the maximum;*
- (7) any additional cash compensation, such as bonuses or lump-sum payments, paid to the members of a class; and*
- (8) any other information requested by the commissioner.*

If a subdivision fails to submit a report, the commissioner shall find the subdivision not in compliance with subdivision 6 and shall impose the penalty prescribed by that subdivision.

Sec. 8. Minnesota Statutes 1988, section 471.9981, is amended by adding a subdivision to read:

Subd. 5b. [PUBLIC DATA.] The implementation report required by subdivision 5a is public data governed by chapter 13.

Sec. 9. Minnesota Statutes 1988, section 471.9981, subdivision 6, is amended to read:

Subd. 6. [PENALTY FOR FAILURE TO IMPLEMENT PLAN.] If (a) The commissioner of employee relations ~~finds, after notice and consultation with a~~ shall review the implementation report submitted by a governmental subdivision; ~~that it has failed to implement its plan for implementing to~~ determine whether the subdivision has established equitable compensation relationships as required by section 471.992, subdivision 1, by December 31, 1991, or the later date approved by the commissioner. The commissioner shall notify a subdivision found to have achieved compliance with section 471.992, subdivision 1.

(b) If the commissioner finds that the subdivision is not in compliance based on the information contained in the implementation report required by section 7, the commissioner shall notify the subdivision of the basis for

the finding. If the subdivision disagrees with the finding, it shall notify the commissioner, who shall provide a specified time period in which to submit additional evidence in support of its claim that it is in compliance. The commissioner shall consider at least the following additional information in reconsidering whether the subdivision is in compliance:

- (1) recruitment difficulties;*
- (2) retention difficulties;*
- (3) recent arbitration awards that are inconsistent with equitable compensation relationships; and*
- (4) information that can demonstrate a good-faith effort to achieve compliance and continued progress toward compliance, including any constraints the subdivision faces.*

The subdivision shall also present a plan for achieving compliance and a date for additional review by the commissioner.

(c) If the subdivision does not make the changes to achieve compliance within a reasonable time set by the commissioner, the commissioner shall notify the subdivision and the commissioner of revenue that the subdivision is subject to a five percent reduction in the aid that would otherwise be payable to that governmental subdivision under section 124A.23, 273.1398, or sections 477A.011 to 477A.014, or to a fine of \$100 a day, whichever is greatest. The commissioner of revenue shall enforce the penalty beginning in calendar year 1992 ~~shall be reduced by five percent; provided that the reduction in aid shall apply to or~~ in the first calendar year beginning after the date for implementation of the plan of a governmental subdivision for which the commissioner of employee relations has approved an implementation date later than December 31, 1991. The penalty remains in effect until the subdivision achieves compliance. The commissioner of employee relations may ~~waive~~ suspend the penalty upon making a finding that the failure to implement was attributable to circumstances beyond the control of the governmental subdivision or to severe hardship, or that noncompliance results from factors unrelated to the sex of the members dominating the affected classes and that the subdivision is taking substantial steps to achieve compliance to the extent possible.

Sec. 10. Minnesota Statutes 1988, section 471.9981, is amended by adding a subdivision to read:

Subd. 7. [APPEAL.] A governmental subdivision may appeal the imposition of a penalty under subdivision 6 by filing a notice of appeal with the commissioner of employee relations within 30 days of the commissioner's notification to the subdivision of the penalty. An appeal must be heard as a contested case under sections 14.57 to 14.62. No penalty may be imposed while an appeal is pending.

Sec. 11. Minnesota Statutes 1988, section 471.999, is amended to read:

471.999 [REPORT TO LEGISLATURE.]

The commissioner of employee relations shall report to the legislature by January 1, ~~1986~~ on the information gathered from political subdivisions of each odd-numbered year on the status of compliance with section 471.992, subdivision 1, by governmental subdivisions. The commissioner's report ~~shall~~ must include a list of political subdivisions which that did not comply

with the reporting requirements of this section. *The commissioner may request, and a subdivision shall provide, any additional information needed for the preparation of a report under this subdivision.*

Sec. 12. Minnesota Statutes 1989 Supplement, section 485.018, subdivision 7, is amended to read:

Subd. 7. [APPEAL FROM RESOLUTION OF THE BOARD.] The court administrator of district court, if dissatisfied with the action of the county board in setting the amount of the court administrator's salary or the amount of the budget for the office of court administrator of district court, may appeal to the district court on the grounds that the determination of the county board in setting ~~such~~ the salary or budget was arbitrary, capricious, oppressive, or without sufficiently taking into account the extent of the responsibilities and duties of ~~said~~ the court administrator's office, and the court administrator's experience, qualifications, and performance. The appeal ~~shall~~ *must* be taken within 15 days after the date of the resolution setting ~~such~~ the salary or budget by serving a notice of appeal on the county auditor and filing ~~same~~ a copy with the court administrator of the district court. The court, either in term or vacation and upon ten ~~days~~ *days'* notice to the chair of the board, shall hear ~~such~~ the appeal. On the hearing of the appeal, the court shall review the decision or resolution of the board in a hearing de novo and may hear new or additional evidence, or the court may order the officer appealing and the board to submit briefs or other memoranda and may dispose of the appeal on ~~such~~ those writings. If the court ~~shall find~~ *finds* that the board acted in an arbitrary, capricious, oppressive, or unreasonable manner, or without sufficiently taking into account the responsibilities and duties of the office of the court administrator, and the court administrator's experience, qualifications, and performance, it shall make ~~such~~ an order to take the place of the order appealed from as is justified by the record and shall remand the matter to the county board for further action consistent with the court's findings. *It is prima facie evidence that the board did not act in an arbitrary, capricious, oppressive, or unreasonable manner or without taking into account the responsibilities and duties of the office of the court administrator, and the court administrator's experience, qualifications, and performance, if the board's action was in accordance with a job evaluation system under section 471.994.* After determination of the appeal the county board shall proceed in conformity ~~therewith~~ *with the court's order.* This subdivision is not in effect from July 1, 1989, to July 1, 1991, with respect to the amount of the budget of the office of court administrator of district court.

Sec. 13. [REPEALER.]

Minnesota Statutes 1988, sections 471.992, subdivision 3; 471.995; 471.996; 471.9975; and 471.9981, subdivisions 2, 3, 4, and 5, are repealed."

Delete the title and insert:

"A bill for an act relating to public employment; defining equitable compensation relationships; requiring an implementation report; providing for review of plans; providing for appeals from decisions of the commissioner of employee relations; requiring the commissioner to report to the legislature; amending Minnesota Statutes 1988, sections 471.991, subdivision 5; 471.992, subdivisions 1, 2, and by adding a subdivision; 471.994; 471.998, by adding a subdivision; 471.9981, subdivision 6, and by adding subdivisions; and 471.999; Minnesota Statutes 1989 Supplement, section 485.018, subdivision 7; repealing Minnesota Statutes 1988, sections 471.992,

subdivision 3; 471.995; 471.996; 471.9975; and 471.9981, subdivisions 2 to 5.”

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

Mr. Dicklich from the Committee on Public Utilities and Energy, to which were referred the following appointments as reported in the Journal for February 12, 1990:

PUBLIC UTILITIES COMMISSION

Norma McKanna
Patrice Vick

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

SECOND READING OF SENATE BILLS

S.F. Nos. 1777, 1789, 1813, 1794 and 488 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Pehler moved that the name of Ms. Peterson, D.C. be stricken as a co-author and the name of Ms. Flynn be added as a co-author to S.F. No. 146. The motion prevailed.

Mr. Hughes moved that the name of Ms. Peterson, D.C. be stricken as a co-author and the name of Ms. Flynn be added as a co-author to S.F. No. 177. The motion prevailed.

Mr. Freeman moved that the name of Ms. Peterson, D.C. be stricken as a co-author and the name of Ms. Flynn be added as a co-author to S.F. No. 188. The motion prevailed.

Mr. Hughes moved that the name of Ms. Peterson, D.C. be stricken as a co-author and the name of Ms. Flynn be added as a co-author to S.F. No. 439. The motion prevailed.

Mr. Pogemiller moved that the name of Ms. Peterson, D.C. be stricken as a co-author and the name of Ms. Flynn be added as a co-author to S.F. No. 444. The motion prevailed.

Mr. Vickerman moved that the name of Ms. Peterson, D.C. be stricken as a co-author and the name of Ms. Flynn be added as a co-author to S.F. No. 757. The motion prevailed.

Mr. Knaak moved that the name of Mr. Kroening be added as a co-author to S.F. No. 859. The motion prevailed.

Mr. Novak moved that the name of Ms. Peterson, D.C. be stricken as a co-author and the name of Ms. Flynn be added as a co-author to S.F. No. 988. The motion prevailed.

Mr. Pogemiller moved that the name of Ms. Peterson, D.C. be stricken as a co-author and the name of Ms. Flynn be added as a co-author to S.F. No. 1272. The motion prevailed.

Mr. Pogemiller moved that the name of Ms. Peterson, D.C. be stricken as a co-author and the name of Ms. Flynn be added as a co-author to S.F. No. 1374. The motion prevailed.

Mr. Benson moved that the name of Ms. Peterson, D.C. be stricken as a co-author and the name of Mrs. Lantry be added as a co-author to S.F. No. 1673. The motion prevailed.

Mr. Waldorf moved that the name of Mr. Bertram be stricken as a co-author and the names of Mrs. Adkins, Messrs. Laidig and Bernhagen be added as co-authors to S.F. No. 1688. The motion prevailed.

Mr. Dahl moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1792. The motion prevailed.

Mr. DeCramer moved that the name of Mr. Piepho be added as a co-author to S.F. No. 1890. The motion prevailed.

Mr. Dahl moved that the name of Mr. Novak be added as a co-author to S.F. No. 1894. The motion prevailed.

Mr. Brandl moved that the name of Mr. Kroening be added as a co-author to S.F. No. 1942. The motion prevailed.

Mr. Pogemiller moved that the name of Mr. Benson be added as a co-author to S.F. No. 1949. The motion prevailed.

Mr. Pogemiller moved that the name of Mr. Kroening be added as a co-author to S.F. No. 1950. The motion prevailed.

Mr. Gustafson moved that the name of Mr. Johnson, D.E. be added as a co-author to S.F. No. 1970. The motion prevailed.

Mr. Spear moved that the name of Ms. Berglin be added as a co-author to S.F. No. 2043. The motion prevailed.

Mr. Spear moved that the name of Ms. Berglin be added as a co-author to S.F. No. 2046. The motion prevailed.

Mr. Pogemiller moved that the name of Mr. Merriam be added as a co-author to S.F. No. 2057. The motion prevailed.

Mr. Diessner moved that S.F. No. 1719 be withdrawn from the Committee on Health and Human Services and returned to its author. The motion prevailed.

Mr. McGowan introduced—

Senate Resolution No. 148: A Senate resolution congratulating Emily Ahlquist, of Plymouth Minnesota, on her athletic accomplishments.

Referred to the Committee on Rules and Administration.

Mr. McGowan introduced—

Senate Resolution No. 149: A Senate resolution congratulating Melanie Alman McRae on being installed as an associate pastor in the Lord of Life Lutheran Church, Maple Grove, Minnesota.

Referred to the Committee on Rules and Administration.

Mr. Chmielewski moved that, the Senate having failed to adopt the Conference Committee Report, H.F. No. 796 and the report be re-referred to

the Conference Committee as formerly constituted for further consideration. The motion prevailed.

Messrs. Moe, R.D. and Benson introduced—

Senate Concurrent Resolution No. 9: A Senate concurrent resolution providing session deadline dates for the legislature pursuant to Joint Rule 2.03.

WHEREAS, Joint Rule 2.03, paragraph (b) requires the legislature to establish session deadline dates for even-numbered year sessions; NOW, THEREFORE,

BE IT RESOLVED, by the Senate of the State of Minnesota, the House of Representatives concurring, that committee reports on bills favorably acted upon by a committee in the house of origin after Friday, March 9, 1990, and committee reports on bills originating in the other house favorably acted upon by a committee after Friday, March 16, 1990, shall be referred in the Senate to the Committee on Rules and Administration and in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. Referral is not required when a committee, after the earlier date and by the later date set by this paragraph, acts on a bill that is a companion to a bill that has met the earlier deadline in the other house. This requirement does not apply to the Senate Committees on Finance and on Taxes and Tax Laws, and the House Committees on Appropriations and on Taxes.

After Friday, April 6, 1990, neither house shall act on bills other than those contained in:

- (1) Reports of conference committees;
- (2) Messages from the other house;
- (3) Reports of the Committee on Rules and Administration in the Senate or the Committee on Rules and Legislative Administration in the House; or
- (4) Messages from the governor.

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

GENERAL ORDERS

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

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

S.F. Nos. 1694, 1727, 1696, 1366, 1730, 1663 and 1778 which the committee recommends to pass.

S.F. No. 1692, which the committee recommends to pass with the following amendment offered by Ms. Berglin:

Amend the title as follows:

Page 1, line 9, delete everything after the semicolon

Page 1, delete lines 10 and 11

The motion prevailed. So the amendment was adopted.

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

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

MOTIONS AND RESOLUTIONS

Mr. Chmielewski moved that his name be stricken as chief author, and the name of Ms. Flynn be added as chief author to S.F. No. 1097. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Schmitz introduced—

S.F. No. 2065: A bill for an act relating to local government; providing for calculation of aids in the city of Shakopee for 1991.

Referred to the Committee on Taxes and Tax Laws.

Mr. Schmitz introduced—

S.F. No. 2066: A bill for an act relating to state lands; authorizing the private sale of certain state lands in Scott county; appropriating proceeds of the conveyance.

Referred to the Committee on Environment and Natural Resources.

Mr. Benson introduced—

S.F. No. 2067: A bill for an act relating to elections; prohibiting certain contributions during regular legislative sessions; proposing coding for new law in Minnesota Statutes, chapter 10A.

Referred to the Committee on Elections and Ethics.

Messrs. Cohen, Luther, Mrs. McQuaid and Ms. Flynn introduced—

S.F. No. 2068: A bill for an act relating to insurance; no-fault auto; clarifying eligibility for economic loss benefits; amending Minnesota Statutes 1988, sections 65B.48, subdivision 1; and 65B.64, subdivision 1.

Referred to the Committee on Commerce.

Messrs. Decker, Piepho, Renneke, Larson and Gustafson introduced—

S.F. No. 2069: A bill for an act relating to health; establishing an office of rural health; requiring a loan and grant program to encourage medical practice in rural Minnesota; authorizing health care planning grants and capital equipment loans for small hospitals; establishing a task force; requiring a report; appropriating money; amending Minnesota Statutes 1988, section 116N.04, subdivision 5, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 144.

Referred to the Committee on Health and Human Services.

Messrs. Larson, Gustafson, Decker and Anderson introduced—

S.F. No. 2070: A bill for an act relating to insurance; regulating the comprehensive health insurance plan; increasing access to the plan; providing tax credits to certain employers who provide qualified health insurance; establishing requirements for minimum benefits plans; requiring offers of additional coverages; establishing demonstration projects for the uninsured; appropriating money; amending Minnesota Statutes 1988, sections 62E.03; 62E.14, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 62A; 62C; 62D; 62E; and 290.

Referred to the Committee on Commerce.

Mr. Chmielewski introduced—

S.F. No. 2071: A bill for an act relating to retirement; public employees retirement association; authorizing a certain member to purchase prior service credit.

Referred to the Committee on Governmental Operations.

Mr. Cohen introduced—

S.F. No. 2072: 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 1988, sections 11A.14, subdivision 5; 15.0597, subdivision 1; 15.50, subdivisions 2 and 5; 16B.53, subdivision 3; 62C.141; 115.49, subdivision 4; 163.06, subdivision 6; 197.55; 232.21, subdivision 7; 256B.69, subdivision 6; 257.41; 273.124, subdivision 13; 273.1315; 333.135; 336.9-105; 353A.02, subdivision 14; 354.05, subdivision 23; 354.66, subdivision 7; 412.701; 412.711; 459.07; 469.155, subdivision 12; 481.12; 626.556, subdivision 10c; Minnesota Statutes 1989 Supplement, sections 18.022, subdivision 2; 62A.045; 105.41, subdivision 1a; 115C.03, subdivision 9; 124.86, subdivision 2; 127.455; 144.6501, subdivision 10; 168.013, subdivision 1a; 168.33, subdivision 2; 176.421, subdivision 7; 204C.361; 236.02, subdivision 7; 245.462, subdivision 4; 256E.08, subdivision 5; 256H.08; 256H.22, subdivisions 2 and 3; 260.185, subdivision 1; 270B.12, subdivision 7; 273.119, subdivision 1; 319A.20; 336.2A-104; 352.01, subdivision 2b; 352.72, subdivision 1; 352B.30, subdivision 1; 383D.41, subdivisions 1 and 2; 422A.05, subdivision 2a; 469.129, subdivision 1; 501B.61, subdivision 1; 563.01, subdivision 3; 609.605, subdivision 3; Minnesota Statutes Second 1989 Supplement, sections 121.904, subdivision 4a; 245A.14, subdivision 6; and 275.50, subdivision 5; and Laws 1989, chapters 329, article 8, section 15, subdivision 2; 332, section 3, subdivision 3; repealing Minnesota Statutes 1988, sections 11A.19, subdivisions 1 to 8; 43A.192; Minnesota Statutes 1989 Supplement, sections 11A.19, subdivision 9; and 226.01 to 226.06.

Referred to the Committee on Judiciary.

Messrs. Samuelson, Vickerman and Ms. Berglin introduced—

S.F. No. 2073: A bill for an act relating to human services; clarifying case management services under medical assistance; specifying requirements for an individual service plan; requiring county boards to document unavailability of money for services to persons with mental retardation or related conditions; amending Minnesota Statutes 1988, section 256B.092, subdivisions 1a, 1b, and by adding subdivisions.

Referred to the Committee on Health and Human Services.

Messrs. Purfeerst, DeCramer, Morse, Mehrkens and Solon introduced—

S.F. No. 2074: A bill for an act relating to traffic regulations; requiring brakes on certain vehicles weighing 3,000 pounds or more; amending Minnesota Statutes 1988, section 169.67, subdivision 3; Minnesota Statutes 1989 Supplement, section 169.67, subdivision 4.

Referred to the Committee on Transportation.

Mrs. Adkins introduced—

S.F. No. 2075: A bill for an act relating to public purchasing; establishing programs for purchasing from certain small targeted group businesses and businesses located in economically disadvantaged areas; requiring prompt payment to subcontractors; providing penalties; amending Minnesota Statutes 1988, sections 16A.124, subdivision 1; 16B.07, by adding a subdivision; 16B.20, subdivisions 1 and 3; 161.321, subdivisions 1, 4, 5, and by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 16B.19; 16B.20, subdivision 2; 16B.21; 16B.22; 16B.226; 116J.68; 136.27; 136.72; 137.31, subdivision 6; 161.321, subdivisions 2, 3, and 6; 161.3211; 241.27, subdivision 2; 471.345, subdivision 8; and 473.142; Laws 1989, chapter 352, section 25; proposing coding for new law in Minnesota Statutes, chapters 16A; 16B; and 137; repealing Minnesota Statutes 1989 Supplement, sections 16B.189; 137.31, subdivision 3a; and 645.445, subdivision 5.

Referred to the Committee on Governmental Operations.

Mr. Dicklich introduced—

S.F. No. 2076: A bill for an act relating to education; allowing independent school district No. 712 to establish a special account; amending Laws 1984, chapter 463, article 6, section 15, subdivision 2.

Referred to the Committee on Education.

Ms. Piper introduced—

S.F. No. 2077: A bill for an act relating to health; establishing an adolescent pregnancy division within the Minnesota department of health; specifying duties; authorizing grants for pregnancy prevention; authorizing emergency rules; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

Referred to the Committee on Health and Human Services.

Messrs. Morse, Davis, Purfeerst, Vickerman and Benson introduced—
S.F. No. 2078: A bill for an act relating to the environment; authorizing the sale of bonds to seal abandoned wells.

Referred to the Committee on Finance.

Ms. Piper, Messrs. Purfeerst and Mehrkens introduced—
S.F. No. 2079: A bill for an act relating to state parks; renaming Helmer Myre and Nerstrand Woods state parks; amending Minnesota Statutes 1988, section 85.012, subdivisions 27 and 45.

Referred to the Committee on Environment and Natural Resources.

Messrs. Larson, Decker, Piepho, McGowan and Anderson introduced—
S.F. No. 2080: A bill for an act relating to taxation; repealing the lawful gambling combined receipts tax; providing for refunds; appropriating money; repealing Minnesota Statutes Second 1989 Supplement, section 349.212, subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

Mr. Pogemiller introduced—
S.F. No. 2081: A bill for an act relating to taxation; clarifying the application of certain rates of gross premium tax to mutual insurance companies; clarifying exemptions from corporate franchise tax; amending Minnesota Statutes Second 1989 Supplement, sections 60A.15, subdivision 1; and 290.05, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Stumpf introduced—
S.F. No. 2082: A bill for an act relating to education; increasing secondary sparsity revenue; amending Minnesota Statutes 1989 Supplement, section 124A.22, subdivision 6.

Referred to the Committee on Education.

Mr. Stumpf introduced—
S.F. No. 2083: A bill for an act relating to education; allowing school districts to provide transportation for nonresident pupils if the pupils present themselves on a regular transportation route; amending Minnesota Statutes 1988, section 123.39, subdivision 6.

Referred to the Committee on Education.

Mr. Stumpf introduced—
S.F. No. 2084: A bill for an act relating to motor vehicles; providing for temporary permit while awaiting delivery of special vehicle license plates; requiring registered owner of motor vehicle to list address of primary residence on application for registration; clarifying when inspection fee must be paid to receive certificate of inspection for salvage vehicle; clarifying disclosure requirements for motor vehicle pollution control system;

amending Minnesota Statutes 1988, sections 168.09, by adding a subdivision; 168.10, subdivision 1; and 325E.0951, subdivision 3a; Minnesota Statutes 1989 Supplement, section 168A.152, subdivision 2.

Referred to the Committee on Transportation.

Mr. Stumpf introduced—

S.F. No. 2085: A bill for an act relating to education; permitting the Badger school district to borrow against taxes levied by the district, including taxes on which penalties have accrued.

Referred to the Committee on Education.

Mr. Stumpf introduced—

S.F. No. 2086: A bill for an act relating to education; permitting the Argyle school district to transfer money from the debt redemption fund to the capital expenditure fund.

Referred to the Committee on Education.

Mr. Brandl introduced—

S.F. No. 2087: A bill for an act proposing an amendment to the Minnesota Constitution, article IV, sections 2, 3, and 4; providing for election of senators at-large from residential districts to six-year terms for six consecutive years; providing coordination between the old and new systems of election; providing for public finance of senate and house of representative election; providing for the recall of senators and representatives; providing by law for a senate of 36 members and a house of representatives of 151 members; amending Minnesota Statutes 1989, sections 2.021 and 2.031, subdivision 1.

Referred to the Committee on Elections and Ethics.

Mr. Brandl introduced—

S.F. No. 2088: A bill for an act proposing an amendment to the Minnesota Constitution, article IV, sections 2, 3, and 4; providing for election of senators at-large to six-year terms for six consecutive years; providing coordination between the old and new systems of election; providing for public finance of senate and house of representatives election; providing for the recall of senators and representatives; providing by law for a senate of 36 members and a house of representatives of 151 members; amending Minnesota Statutes 1989, sections 2.021; and 2.031, subdivision 1.

Referred to the Committee on Elections and Ethics.

Mr. Brandl introduced—

S.F. No. 2089: A bill for an act relating to crime; imposing penalties for assaulting social workers and other medical and social service employees; prohibiting repeated threats of crimes of violence; amending Minnesota Statutes 1988, sections 609.2231, by adding a subdivision; and 609.713, by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Vickerman, Schmitz, Bertram, Renneke and Bernhagen introduced—

S.F. No. 2090: A bill for an act relating to towns; regulating maintenance of tunnels; regulating town meetings; providing for town deputy treasurer; amending Minnesota Statutes 1988, sections 160.25, subdivision 3; 365.51, subdivision 1; and 365.58; proposing coding for new law in Minnesota Statutes, chapter 367.

Referred to the Committee on Local and Urban Government.

Mr. Cohen introduced—

S.F. No. 2091: A bill for an act relating to health; providing additional funding for family planning grants; establishing an outreach program for pregnant women eligible for medical assistance; appropriating money.

Referred to the Committee on Health and Human Services.

Mr. Johnson, D.E. introduced—

S.F. No. 2092: A bill for an act relating to cities; regulating financial operations of municipal hospitals; amending Minnesota Statutes 1988, section 412.221, subdivision 16.

Referred to the Committee on Local and Urban Government.

Mr. Lessard introduced—

S.F. No. 2093: A bill for an act relating to education; allowing independent school district No. 319 to make certain fund transfers in each of the next five fiscal years.

Referred to the Committee on Education.

Mr. Luther introduced—

S.F. No. 2094: A bill for an act relating to education; modifying the general education fund balance reduction; amending Minnesota Statutes Second 1989 Supplement, section 124A.26, subdivision 1.

Referred to the Committee on Education.

Ms. Berglin introduced—

S.F. No. 2095: A bill for an act relating to housing; providing grants and loans for rental property damaged by a police drug raid or during the transfer of controlled substances; amending Minnesota Statutes 1988, sections 462A.05, by adding subdivisions; and 462A.21, by adding subdivisions; Minnesota Statutes 1989 Supplement, section 609.5315, subdivision 5.

Referred to the Committee on Economic Development and Housing.

Ms. Berglin introduced—

S.F. No. 2096: A bill for an act relating to real property; changing the period of redemption for certain property located in a targeted neighborhood; amending Minnesota Statutes 1988, section 281.17.

Referred to the Committee on Taxes and Tax Laws.

Ms. Berglin introduced—

S.F. No. 2097: A bill for an act relating to taxation; increasing the income levels of debtors whose medical debts are exempt from collection under the revenue recapture act; amending Minnesota Statutes 1988, section 270A.03, subdivision 5.

Referred to the Committee on Taxes and Tax Laws.

Mr. Brandl introduced—

S.F. No. 2098: A bill for an act proposing an amendment to the Minnesota Constitution, article IV, sections 2, 3, and 4; providing for election of senators at-large to six-year terms and representatives for four-year terms; providing coordination between the old and new systems of election; providing for public finance of senate and house of representatives election; providing for the recall of senators and representatives; providing by law for a senate of 36 members and a house of representatives of 151 members; amending Minnesota Statutes 1989, sections 2.021 and 2.031, subdivision 1.

Referred to the Committee on Elections and Ethics.

Mr. Belanger introduced—

S.F. No. 2099: A bill for an act relating to consumer protection; regulating the disclosure of personal identification information on credit card transaction forms; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 325G.

Referred to the Committee on Commerce.

Mr. Belanger introduced—

S.F. No. 2100: A bill for an act relating to health; establishing an exception to the moratorium on licensing of nursing home beds; amending Minnesota Statutes 1989 Supplement, section 144A.071, subdivision 3.

Referred to the Committee on Health and Human Services.

Mr. Belanger introduced—

S.F. No. 2101: A bill for an act relating to taxation; property; allowing homestead treatment from homesteads purchased to replace a homestead acquired under eminent domain; amending Minnesota Statutes 1988, section 273.124, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Belanger introduced—

S.F. No. 2102: A bill for an act relating to commerce; regulating escrow accounts for mortgaged residences; amending Minnesota Statutes 1988, section 47.20, subdivision 9.

Referred to the Committee on Commerce.

Mr. Moe, D.M.; Ms. Berglin, Mr. Cohen, Ms. Flynn and Mrs. Adkins introduced—

S.F. No. 2103: A bill for an act relating to state government; providing sanctions for failure to comply with affirmative action requirements; amending Minnesota Statutes 1988, sections 15A.081, subdivision 7b; 15A.082, by adding a subdivision; and 43A.18, subdivision 5.

Referred to the Committee on Governmental Operations.

Mr. Moe, D.M. introduced—

S.F. No. 2104: A bill for an act relating to retirement; providing for retirement of peace officers in gambling enforcement division of department of public safety; amending Minnesota Statutes 1988, sections 43A.34, subdivision 4; 352B.01, subdivision 2; and 352B.14, subdivision 4; Minnesota Statutes 1989 Supplement, section 352.01, subdivision 2b.

Referred to the Committee on Governmental Operations.

Messrs. Moe, D.M. and Morse introduced—

S.F. No. 2105: A bill for an act relating to public employee retirement plans; requiring the regular reporting of investment performance results calculated on a time-weighted total rate of return basis; proposing coding for new law in Minnesota Statutes, chapter 356.

Referred to the Committee on Governmental Operations.

Messrs. Benson; Frederickson, D.R.; Renneke; Piepho and Decker introduced—

S.F. No. 2106: A bill for an act relating to transportation; providing for 15 percent state reimbursement to towns for cost of building bridge approaches under certain conditions; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 165.

Referred to the Committee on Transportation.

Mr. Diessner introduced—

S.F. No. 2107: A bill for an act relating to taxation; property; providing a special levy to pay certain watershed capital improvement costs; amending Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Solon, Spear, Purfeerst and Anderson introduced—

S.F. No. 2108: A bill for an act relating to liquor; authorizing liquor stores to sell candy liqueurs; exempting certain signs from cost limits; authorizing removal of partially consumed wine bottles from licensed premises; eliminating the requirement for a vote on municipal liquor store continuance upon population change; amending Minnesota Statutes 1988, sections 340A.101, subdivision 10; 340A.308; and 340A.404, by adding a subdivision; repealing Minnesota Statutes 1988, section 340A.601, subdivision 2.

Referred to the Committee on Commerce.

Mrs. Adkins, Messrs. Solon, Purfeerst and Anderson introduced—

S.F. No. 2109: A bill for an act relating to insurance; regulating cancellations, reductions, and nonrenewals of commercial property and liability insurance; amending Minnesota Statutes 1988, section 60A.38, by adding a subdivision.

Referred to the Committee on Commerce.

Mr. Solon, Ms. Flynn, Messrs. Larson and Freeman introduced—

S.F. No. 2110: A bill for an act relating to insurance; accident and health; providing for coordination of benefits between group and individual contracts; amending Minnesota Statutes 1989 Supplement, section 62A.046.

Referred to the Committee on Commerce.

Messrs. Langseth; Beckman; Stumpf; Frederickson, D.R. and Decker introduced—

S.F. No. 2111: A bill for an act relating to education; authorizing the state board of education to waive certain size requirements for combination; amending Minnesota Statutes 1989 Supplement, section 122.241, subdivision 3.

Referred to the Committee on Education.

Mr. Merriam introduced—

S.F. No. 2112: A bill for an act relating to bonds; authorizing certain negotiated sales; authorizing issuance of capital appreciation bonds; authorizing the commissioner of finance to make certain covenants to the purchasers of certain bonds or certificates of indebtedness; requiring identification of certain accounts; providing for the reduction and cancellation of certain bond sale authorizations; appropriating money; amending Minnesota Statutes 1988, sections 16A.641, subdivisions 4, 6, and by adding subdivisions; and 16A.672, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 16A.631; and 16A.641, subdivision 7; repealing Minnesota Statutes 1988, section 16A.651.

Referred to the Committee on Finance.

Messrs. Marty and Dicklich introduced—

S.F. No. 2113: A bill for an act relating to utilities; regulating sale and service of energy-consuming products, appliances, and equipment by public utilities; amending Minnesota Statutes 1989 Supplement, section 216B.01; proposing coding for new law in Minnesota Statutes, chapter 216B.

Referred to the Committee on Public Utilities and Energy.

Messrs. Moe, D.M.; Morse; Marty; Waldorf and Decker introduced—

S.F. No. 2114: A bill for an act relating to the operation of state government; changing certain procedures and limits for contracts with the state; establishing an advisory task force; authorizing reimbursement of certain expenses; changing certain vehicle marking and color provisions; clarifying certain transfer authority; protecting governments that purchase certain insurance; amending Minnesota Statutes 1988, sections 3.736, subdivision

8; 16B.07, subdivision 3; 16B.09, by adding a subdivision; 16B.17, subdivision 3; 16B.41, subdivision 4; 16B.58, subdivision 7; 16B.85, subdivision 5; and 466.06; and Minnesota Statutes 1989 Supplement, sections 16B.54, subdivision 2; and 40.46, subdivision 1.

Referred to the Committee on Governmental Operations.

Mr. Schmitz introduced—

S.F. No. 2115: A bill for an act relating to peace officers; authorizing licensed peace officers to operate motor vehicles and watercraft without lights under certain circumstances; providing exemption from tort liability; amending Minnesota Statutes 1988, sections 169.48; and 361.15; proposing coding for new law in Minnesota Statutes, chapter 169.

Referred to the Committee on Transportation.

Mr. Hughes, Ms. Reichgott, Messrs. Metzen and Knaak introduced—

S.F. No. 2116: A bill for an act relating to education; eliminating the per pupil unit cap on intermediate district levies; amending Minnesota Statutes 1989 Supplement, sections 136D.27, subdivision 1; 136D.74, subdivision 2; and 136D.87, subdivision 1.

Referred to the Committee on Education.

Messrs. Morse; Moe, D.M. and Mrs. Lantry introduced—

S.F. No. 2117: A bill for an act relating to public employment; limiting certain severance payments to public employees; restricting administrative leaves for University of Minnesota employees; amending Minnesota Statutes 1988, section 465.72, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 43A and 137.

Referred to the Committee on Governmental Operations.

Mr. Morse and Mrs. Lantry introduced—

S.F. No. 2118: A bill for an act relating to the public employees insurance plan trust fund; clarifying the authority to expend excess police state aid amounts; amending Minnesota Statutes 1989 Supplement, section 43A.316, subdivision 9.

Referred to the Committee on Governmental Operations.

Messrs. Piepho; Frederickson, D.R. and Beckman introduced—

S.F. No. 2119: A bill for an act relating to Blue Earth county; permitting the appointment of the auditor, recorder, and treasurer; authorizing the reorganization of county offices.

Referred to the Committee on Local and Urban Government.

Messrs. Frederickson, D.R.; Frederickson, D.J.; Dicklich; Bernhagen and Davis introduced—

S.F. No. 2120: A bill for an act relating to wells; amending the definition of exploratory boring; amending Minnesota Statutes 1989 Supplement, section 1031.005, subdivision 9.

Referred to the Committee on Environment and Natural Resources.

Messrs. Anderson, Vickerman, Larson and Mehrkens introduced—

S.F. No. 2121: A bill for an act relating to education; removing the requirement that members of an education district must be in the same ECSU; amending Minnesota Statutes 1989 Supplement, section 123.58, subdivision 4.

Referred to the Committee on Education.

Messrs. Anderson, Lessard, Decker, Bernhagen and Bertram introduced—

S.F. No. 2122: A bill for an act relating to taxation; sales and use; providing a deduction for postage costs; amending Minnesota Statutes 1988, section 297A.26, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Storm, Benson, Decker and Piepho introduced—

S.F. No. 2123: A bill for an act relating to finance; requiring the commissioner of finance to prepare quarterly revenue and spending forecasts; amending Minnesota Statutes 1988, section 16A.06, by adding a subdivision.

Referred to the Committee on Finance.

Mr. Dahl introduced—

S.F. No. 2124: A bill for an act relating to agriculture; changing provisions and procedures related to apiaries; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 19.54; 19.55; 19.56; 19.57; 19.58, subdivisions 1, 4, 8, and 9; 19.59; 19.62; 19.64; and 19.65; proposing coding for new law in Minnesota Statutes, chapter 19.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Morse; Johnson, D.J.; Luther; Hughes and Peterson, R.W. introduced—

S.F. No. 2125: A bill for an act relating to education; equalizing a portion of the debt service levy; appropriating money; amending Minnesota Statutes 1988, section 275.125, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 124.

Referred to the Committee on Education.

Messrs. Morse, Vickerman, Stumpf, DeCramer and Bernhagen introduced—

S.F. No. 2126: A bill for an act relating to health; clarifying requirements for water well construction and ownership; amending Minnesota Statutes 1989 Supplement, sections 103I.005, subdivisions 8, 16, and by adding a subdivision; 103I.101, subdivisions 2 and 6; 103I.111, subdivision 5; 103I.205, subdivisions 1, 2, 4, and 8; 103I.208, subdivision 2, and by adding a subdivision; 103I.301, subdivision 3; 103I.325, subdivision 2; 103I.541, subdivision 1, and by adding subdivisions; 103I.681; 103I.685; 103I.691; 103I.705, subdivisions 2 and 3; Laws 1989, chapter 326, article

3, section 49; repealing Minnesota Statutes 1989 Supplement, sections 103I.005, subdivision 19; 103I.211; 103I.301, subdivision 5; 103I.321; 103I.325, subdivision 1; and 103I.533.

Referred to the Committee on Environment and Natural Resources.

Mr. Bernhagen introduced—

S.F. No. 2127: A bill for an act relating to forestry; implementing a statewide program to encourage maintenance and expansion of community and urban forests; assigning responsibilities to various state agencies and municipalities.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Solon; Frederickson, D.R. and Kroening introduced—

S.F. No. 2128: A bill for an act relating to retirement; making a variety of technical changes in the laws governing benefits and administration of various statewide and local public pension plans; amending Minnesota Statutes 1988, sections 3A.03, subdivision 2; 352.73, by adding a subdivision; 352B.11, subdivision 4; 352C.09, subdivision 2; 352D.05, subdivision 3; 354.05, subdivision 13; 354.07, subdivision 4; 354.146, subdivision 1; 354.42, subdivisions 2 and 3; 354.46, subdivision 1; 354.52, subdivision 2; 354.55, subdivision 19; 356.302, subdivisions 3 and 4; Minnesota Statutes 1989 Supplement, sections 352.01, subdivision 25; 352.031, subdivisions 2, 3, and by adding a subdivision; 352.115, subdivision 3; 352.116, subdivisions 1, 1a, and by adding a subdivision; 352.93, subdivisions 2a and 3; 352B.08, subdivisions 2a and 3; 352B.11, subdivision 2; 353.01, subdivision 37; 353.29, subdivision 3; 353.30; 353.651, subdivision 4; 354.05, subdivision 38; 354.071, subdivisions 2, 3, and by adding a subdivision; 354.44, subdivision 6; 354.45, subdivision 1a; 354.46, subdivision 2; 354.47, subdivision 1; 354.48, subdivision 3; 354.49, subdivisions 2 and 3; 354.50, subdivision 5; 354.55, subdivision 11; 354.65; 354.66, subdivision 2; 354A.011, subdivision 15a; 354A.31, subdivisions 4, 6, and 7; 354A.32, subdivisions 1 and 1a; 354B.02, subdivisions 2 and 3; 354B.03, subdivisions 1 and 3; 356.371, subdivision 3; 356.86, subdivisions 2, 5, and 6; Laws 1989, chapter 319, article 19, section 7, subdivision 4; repealing Minnesota Statutes 1988, sections 11A.19, subdivisions 1 to 8; 354.05, subdivisions 23, 24, 33, and 34; 354.146, subdivision 2; and 354.62, subdivisions 1, 3, 4, 5, and 6; Minnesota Statutes 1989 Supplement, sections 11A.19, subdivision 9; 353.87, subdivision 5; 354.44, subdivision 7; and 354.62, subdivisions 2 and 7.

Referred to the Committee on Governmental Operations.

Messrs. Solon and Anderson introduced—

S.F. No. 2129: A bill for an act relating to insurance; modifying the effective date of the statutory notice requirement for cancellation or non-renewal of individual life policies; amending Laws 1989, chapter 330, section 38.

Referred to the Committee on Commerce.

Messrs. Cohen, Solon and Anderson introduced—

S.F. No. 2130: A bill for an act relating to insurance; regulating the practices and record keeping of, and disclosures by, public adjusters; amending Minnesota Statutes 1988, section 72B.135, by adding subdivisions.

Referred to the Committee on Commerce.

Messrs. Solon, Purfeerst and Anderson introduced—

S.F. No. 2131: A bill for an act relating to insurance; regulating health claim appeals; amending Minnesota Statutes 1988, section 65B.525, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 65B.525, subdivision 1; and 72A.327.

Referred to the Committee on Commerce.

Messrs. Marty, Luther, Pogemiller, Laidig and Merriam introduced—

S.F. No. 2132: A bill for an act relating to crimes; making it a crime to obtain telecommunication services by fraud; requiring forfeiture of telecommunication devices used for fraudulent purposes; prescribing penalties; amending Minnesota Statutes 1988, section 609.89, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Judiciary.

Mr. Spear introduced—

S.F. No. 2133: A bill for an act relating to crime; creating a legislative study commission to study whether the current criminal defense of mental illness should be changed.

Referred to the Committee on Judiciary.

Mr. Spear introduced—

S.F. No. 2134: A bill for an act relating to crime; imposing penalties on persons who commit a crime while wearing or possessing soft body armor; permitting summary forfeiture of weapons used to commit a controlled substance offense; permitting summary forfeiture of soft body armor worn or possessed during the commission of a crime; amending Minnesota Statutes 1988, section 609.5316, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Judiciary.

Mr. Dahl introduced—

S.F. No. 2135: A bill for an act relating to state departments and agencies; appropriating money for a study by the department of administration on providing financial incentives for meeting agency objectives under budget.

Referred to the Committee on Governmental Operations.

Messrs. Pehler, Peterson, R.W. and Larson introduced—

S.F. No. 2136: A bill for an act relating to education; changing the duration and membership of the task force on education organization; amending Laws 1988, chapter 718, article 6, section 23, subdivisions 1, 2, and 7.

Referred to the Committee on Education.

Mr. Samuelson, Ms. Piper, Messrs. Dicklich, Vickerman and Frederickson, D.J. introduced—

S.F. No. 2137: A bill for an act relating to human services; increasing payment rates for medical providers; providing a wage increase for staff of nursing homes, intermediate care facilities, developmental achievement centers, and waived service providers.

Referred to the Committee on Health and Human Services.

Mr. Chmielewski introduced—

S.F. No. 2138: A bill for an act relating to traffic regulations; regulating approaches of vehicles to certain intersections; amending Minnesota Statutes 1988, section 169.20, subdivision 1.

Referred to the Committee on Transportation.

Mr. Chmielewski, Mrs. Lantry, Ms. Piper, Messrs. Samuelson and Kroening introduced—

S.F. No. 2139: A bill for an act relating to health; providing for planning for a surveillance system for occupational diseases; appropriating money.

Referred to the Committee on Employment.

Mr. Chmielewski and Ms. Piper introduced—

S.F. No. 2140: A bill for an act relating to workers' compensation; establishing a method of premium calculation for workers' compensation insurance; amending Minnesota Statutes 1988, section 79.52, by adding a subdivision.

Referred to the Committee on Employment.

Messrs. Beckman, Laidig and Vickerman introduced—

S.F. No. 2141: A bill for an act relating to real property; providing for plat monuments; imposing a penalty; amending Minnesota Statutes 1988, sections 505.02, subdivision 1; and 505.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 505.

Referred to the Committee on Judiciary.

Messrs. Morse, Hughes, Bernhagen, Merriam and Dahl introduced—

S.F. No. 2142: A bill for an act relating to education; equalizing a portion of the referendum levy; proposing coding for new law in Minnesota Statutes, chapter 124A.

Referred to the Committee on Education.

Messrs. Hughes, Luther, Morse, Merriam and Dahl introduced—

S.F. No. 2143: A bill for an act relating to education; changing the training and experience funding; amending Minnesota Statutes 1988, section 124A.22, subdivision 4.

Referred to the Committee on Education.

Messrs. Dicklich; Johnson, D.J.; Samuelson; Chmielewski and Lessard introduced—

S.F. No. 2144: A bill for an act relating to state lands; requiring condemnation and sale of certain trust lands constituting lakeshore lots; authorizing a bond issue to establish a revolving fund to finance acquisitions; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 92; repealing Minnesota Statutes 1988, section 92.67.

Referred to the Committee on Environment and Natural Resources.

Messrs. Chmielewski, Ramstad, Gustafson and Ms. Piper introduced—

S.F. No. 2145: A bill for an act relating to public employees; providing for an award of interest on certain essential employee arbitrations; amending Minnesota Statutes 1988, section 179A.16, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Mrs. Lantry introduced—

S.F. No. 2146: A bill for an act relating to motor vehicles; establishing and regulating manufacturer's registration plates; amending Minnesota Statutes 1989 Supplement, section 168.27, subdivisions 1, 16, and 17.

Referred to the Committee on Transportation.

Messrs. Frederickson, D.J.; Purfeerst and Benson introduced—

S.F. No. 2147: A bill for an act relating to transportation; exempting fertilizer and agricultural chemical retailers from certain regulations on transporting hazardous materials; amending Minnesota Statutes 1988, section 221.033, subdivision 2.

Referred to the Committee on Transportation.

Messrs. Johnson, D.J.; Dicklich and Marty introduced—

S.F. No. 2148: A bill for an act proposing an amendment to the Minnesota Constitution, article XIII, by adding a section; requiring that an affordable health insurance program be provided for Minnesota residents.

Referred to the Committee on Commerce.

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

S.F. No. 2149: A bill for an act relating to occupations and professions; prohibiting certain acts by protective agents and security guards during a labor dispute; amending Minnesota Statutes 1988, section 326.3384, by adding a subdivision; and amending Minnesota Statutes 1989 Supplement, section 326.3384, subdivision 2.

Referred to the Committee on Judiciary.

Mr. Metzen introduced—

S.F. No. 2150: A bill for an act relating to the environment; authorizing the imposition of landfill fees on facilities for the disposal of demolition debris; amending Minnesota Statutes 1989 Supplement, section 115A.921.

Referred to the Committee on Environment and Natural Resources.

Messrs. Benson, Larson, Knutson, Mmes. Lantry and McQuaid introduced—

S.F. No. 2151: A bill for an act relating to insurance; accident and health; requiring the commissioner of commerce to administer health care plans for Minnesota residents who are not covered by other plans; establishing minimum benefits for these plans; allowing a tax credit for premiums paid for coverage; appropriating money; amending Minnesota Statutes 1988, sections 290.92, subdivision 5; and 290.93, subdivision 4; Minnesota Statutes 1989 Supplement, sections 290.01, subdivision 19a; and 290.92, subdivision 5a; proposing coding for new law in Minnesota Statutes, chapter 290; proposing coding for new law as Minnesota Statutes, chapter 62K.

Referred to the Committee on Commerce.

Messrs. McGowan, Ramstad, Piepho, Mrs. Pariseau and Mr. Anderson introduced—

S.F. No. 2152: A bill for an act relating to insurance; accident and health; requiring the commissioner of commerce to administer health care plans for Minnesota residents who are not covered by other plans; establishing minimum benefits for these plans; allowing a tax credit for premiums paid for coverage; appropriating money; amending Minnesota Statutes 1988, sections 290.92, subdivision 5; and 290.93, subdivision 4; Minnesota Statutes 1989 Supplement, sections 290.01, subdivision 19a; and 290.92, subdivision 5a; proposing coding for new law in Minnesota Statutes, chapter 290; proposing coding for new law as Minnesota Statutes, chapter 62K.

Referred to the Committee on Commerce.

Mr. Marty introduced—

S.F. No. 2153: A bill for an act relating to insurance; clarifying an insurer's duty to provide loss or claims experience data to an insured; amending Minnesota Statutes 1989 Supplement, section 72A.20, subdivision 26.

Referred to the Committee on Commerce.

Messrs. Frank, Samuelson and Metzen introduced—

S.F. No. 2154: A bill for an act relating to elections; providing that certain voter registrations are not deficient for lack of an address; allowing certain persons with no permanent address to vote in certain elections; amending Minnesota Statutes 1988, sections 201.071, subdivision 3; 203B.16, by adding a subdivision; and 203B.17.

Referred to the Committee on Elections and Ethics.

Messrs. Frank, Samuelson and Metzen introduced—

S.F. No. 2155: A bill for an act relating to elections; clarifying certain campaign financial reporting requirements; amending Minnesota Statutes 1989 Supplement, section 211A.02, subdivision 1.

Referred to the Committee on Elections and Ethics.

Messrs. Pehler; Frederickson, D.J.; Peterson, R. W.; Vickerman and Knaak introduced—

S.F. No. 2156: A bill for an act relating to local government; allowing municipalities to enter into certain contracts to reduce energy and operating costs; amending Minnesota Statutes 1988, section 471.345, by adding a subdivision; repealing Minnesota Statutes 1988, section 471.345, subdivision 9.

Referred to the Committee on Local and Urban Government.

Ms. Berglin introduced—

S.F. No. 2157: A bill for an act relating to human services; establishing a human resources trust fund for long-term activities to assure adequate food, housing, employment, health care, and education for state citizens; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 256J.

Referred to the Committee on Health and Human Services.

Messrs. Dicklich, Freeman, Frank and Storm introduced—

S.F. No. 2158: A bill for an act relating to utilities; regulating flexible gas utility rates; repealing sunset provisions relating to flexible gas utility rates; amending Minnesota Statutes 1988, section 216B.163; and Laws 1987, chapter 371, section 4.

Referred to the Committee on Public Utilities and Energy.

Ms. Reichgott introduced—

S.F. No. 2159: A bill for an act relating to education; delaying the date by which the regent candidate advisory council must submit recommendations to the legislature; amending Minnesota Statutes 1988, section 137.0245, subdivision 4.

Referred to the Committee on Education.

Messrs. Merriam; Morse; Peterson, R.W.; Frederickson, D.R. and Dahl introduced—

S.F. No. 2160: A bill for an act relating to education; providing for the environmental education act; creating the office of environmental education; proposing coding for new law as Minnesota Statutes, chapter 126A; repealing Minnesota Statutes 1988, sections 116E.01; 116E.02; 116E.03, subdivisions 2, 3, 4, 5, 6, 7, 7a, 8, and 9; and 116E.04; Minnesota Statutes 1989 Supplement, sections 116E.03, subdivision 1; and 116E.035.

Referred to the Committee on Environment and Natural Resources.

Mr. Larson introduced—

S.F. No. 2161: A bill for an act relating to state lands; authorizing private sale of certain tax-forfeited land in Becker county.

Referred to the Committee on Environment and Natural Resources.

Mr. Davis introduced—

S.F. No. 2162: A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 2, to set the number of members of the senate and house of representatives at four senators and eight representatives times the number of congressional districts.

Referred to the Committee on Elections and Ethics.

Mr. Brandl introduced—

S.F. No. 2163: A bill for an act relating to taxation; providing a sales tax exemption for certain chair lifts, ramps, and elevators; amending Minnesota Statutes Second 1989 Supplement, section 297A.25, subdivision 43.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Johnson, D.E.; Bernhagen; Vickerman; Frederickson, D.J. and DeCramer introduced—

S.F. No. 2164: A bill for an act relating to human services; providing for services for persons with mental retardation in the Willmar catchment area; amending Minnesota Statutes 1989 Supplement, section 252.025, subdivision 4.

Referred to the Committee on Health and Human Services.

Mr. Luther introduced—

S.F. No. 2165: A bill for an act relating to occupations and professions; providing for independent medical examinations by doctors of chiropractic; amending Minnesota Statutes 1988, sections 148.01, subdivision 1; and 148.08, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 148.

Referred to the Committee on Health and Human Services. Mr. Luther questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. DeCramer introduced—

S.F. No. 2166: A bill for an act relating to courts; providing for the transfer of certain duties of the court administrator; proposing coding for new law in Minnesota Statutes, chapter 373.

Referred to the Committee on Judiciary.

Messrs. Frederickson, D.R.; Dicklich and Ms. Piper introduced—

S.F. No. 2167: A bill for an act relating to utilities; requiring municipal electric power agencies to keep financial records as required for public utilities and to undergo annual independent financial audits; proposing coding for new law in Minnesota Statutes, chapter 453.

Referred to the Committee on Public Utilities and Energy.

Ms. Piper, Mr. Samuelson, Mrs. Lantry, Messrs. Vickerman and Renneke introduced—

S.F. No. 2168: A bill for an act relating to human services; allowing cast metal restoration dental services under medical assistance for persons whose disabilities prevent them from removing dentures; amending Minnesota Statutes 1988, section 256B.0625, subdivision 9.

Referred to the Committee on Health and Human Services.

Mr. Pogemiller introduced—

S.F. No. 2169: A bill for an act relating to taxation; property; reducing the class rate applied to certain nonprofit student housing; amending Minnesota Statutes Second 1989 Supplement, sections 273.13, subdivision 25; and 273.1316, subdivisions 1, 6, and 7.

Referred to the Committee on Taxes and Tax Laws.

Mr. Pogemiller introduced—

S.F. No. 2170: A bill for an act relating to education; appropriating money to the labor studies and resource center to train teachers in labor history and in the role of labor in the economy.

Referred to the Committee on Education.

Messrs. Lessard; Samuelson; Johnson, D.J. and Dicklich introduced—

S.F. No. 2171: A bill for an act relating to waters; changing the requirements for appropriation permits; requiring the commissioner of natural resources to report to the legislature; amending Minnesota Statutes 1988, section 105.417, subdivision 5; Minnesota Statutes 1989 Supplement, sections 103L.205, subdivision 1; and 105.41, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Messrs. Lessard; Samuelson; Johnson, D.J. and Dicklich introduced—

S.F. No. 2172: A bill for an act relating to waters; requiring the commissioner of natural resources to establish a plan for drought emergencies; creating a drought task force; amending Minnesota Statutes 1989 Supplement, section 473.156, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 105.

Referred to the Committee on Environment and Natural Resources.

Messrs. Lessard, Bernhagen, Stumpf, Merriam and Dahl introduced—

S.F. No. 2173: A bill for an act relating to the environment; providing assistance to eligible recipients on methods to prevent toxic pollution; providing financial assistance to research and demonstrate alternative means to prevent toxic pollution; requiring facilities to develop plans to prevent toxic pollution; providing penalties; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 115D.

Referred to the Committee on Environment and Natural Resources.

Messrs. Stumpf and Lessard introduced—

S.F. No. 2174: A bill for an act relating to public lands; providing payment equivalency for lost revenue from certain federal land leased to the state to be paid from revenue generated from the land; proposing coding for new law in Minnesota Statutes, chapter 84A.

Referred to the Committee on Environment and Natural Resources.

Messrs. Dahl; Lessard; Peterson, R.W. and Laidig introduced—

S.F. No. 2175: A bill for an act relating to crimes; prohibiting wild land arson fires; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Environment and Natural Resources.

Messrs. Pogemiller and Spear introduced—

S.F. No. 2176: A bill for an act relating to crimes; reclassifying the crime of criminal vehicular operation resulting in death as "criminal vehicular homicide"; eliminating negligence as an element of the crime when the driver is under the influence of alcohol or drugs; clarifying that persons whose alcohol concentration, as measured within two hours of the time of driving, is 0.10 or more may be convicted of criminal vehicular homicide or injury; amending Minnesota Statutes 1989 Supplement, section 609.21.

Referred to the Committee on Judiciary.

Mr. Spear introduced—

S.F. No. 2177: A bill for an act relating to traffic safety; allowing impoundment of license plates by administrative action for repeat violations of the driving while intoxicated provisions; amending Minnesota Statutes 1988, section 168.041, subdivision 3a, and by adding subdivisions.

Referred to the Committee on Judiciary.

Messrs. Spear and Pogemiller introduced—

S.F. No. 2178: A bill for an act relating to peace officers; requiring applicants seeking initial peace officer licensure on or after August 1, 1994, to have successfully completed a professional peace officer education program; requiring the board of peace officer standards and training to adopt rules by August 1, 1993, providing for the certification of professional peace officer education programs in accredited colleges and universities; requiring the board to establish a task force to assist in the formulation of these rules; requiring the board to submit an interim report to the legislature concerning the development of these rules; proposing coding for new law in Minnesota Statutes, chapter 626.

Referred to the Committee on Judiciary.

Mr. Marty introduced—

S.F. No. 2179: A bill for an act relating to local government in Ramsey county; eliminating certain performance bonds; permitting fees for inspections by the county surveyor; amending Minnesota Statutes 1988, section

383A.32, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 383A.

Referred to the Committee on Local and Urban Government.

Messrs. Spear, Luther and Solon introduced—

S.F. No. 2180: A bill for an act relating to insurance; regulating appeals of health claims; amending Minnesota Statutes 1989 Supplement, section 72A.327.

Referred to the Committee on Commerce.

Ms. Flynn, Mr. Morse, Ms. Piper and Mr. Freeman introduced—

S.F. No. 2181: A bill for an act relating to labor; regulating joint labor-management committees; regulating public employee elections; amending Minnesota Statutes 1988, sections 179.02, by adding a subdivision; 179.84, subdivision 1; 179.85; 179A.04, subdivision 3; and 179A.12, subdivision 7.

Referred to the Committee on Governmental Operations.

Ms. Berglin, Messrs. Vickerman, Spear and Brandl introduced—

S.F. No. 2182: A bill for an act relating to courts; providing for partial state reimbursement of county costs for court-ordered care, examination, or treatment of juveniles; appropriating money; amending Minnesota Statutes 1989 Supplement, section 260.251, subdivision 1.

Referred to the Committee on Health and Human Services.

Mses. Berglin, Piper, Mr. Vickerman and Ms. Flynn introduced—

S.F. No. 2183: A bill for an act relating to human services; authorizing counties to retain one-half of the nonfederal share of money collected by the county for assistance furnished; amending Minnesota Statutes 1988, section 256.863.

Referred to the Committee on Health and Human Services.

Mrs. McQuaid and Mr. McGowan introduced—

S.F. No. 2184: A bill for an act relating to retirement; public employees retirement association; authorizing a purchase of prior service credit for certain former St. Louis Park city elected officials.

Referred to the Committee on Governmental Operations.

Messrs. Pehler, Merriam and Samuelson introduced—

S.F. No. 2185: A bill for an act relating to education; providing for aid for courses with independent study when pupils complete the specified hours; making adult high school graduation aid conform to aid for other secondary pupils; amending Minnesota Statutes 1988, section 124.261; Minnesota Statutes 1989 Supplement, section 124.19, subdivision 7.

Referred to the Committee on Education.

Messrs. Solon; Frederickson, D.R.; Kroening; Mrs. Lantry and Mr. Freeman introduced—

S.F. No. 2186: A bill for an act relating to retirement; reallocating powers and duties among actuaries retained by the legislative commission on pensions and retirement and various public pension plans; appropriating money; amending Minnesota Statutes 1988, sections 3.85, subdivisions 10 and 11; 3A.11, subdivision 1; 11A.18, subdivision 11; 352.01, subdivision 12; 352.03, subdivision 6; 352.119, subdivision 2; 352.85, subdivision 6; 352.86, subdivision 4; 352B.02, subdivision 1e; 352B.26, subdivision 3; 353.01, subdivision 14; 353.03, subdivision 3a; 353.271, subdivision 2; 353.29, subdivision 6; 354.05, subdivision 7; 354.06, subdivision 2a; 354.07, subdivision 1; 354.42, subdivision 5; 354A.011, subdivision 3a; 354A.021, subdivision 7; 354A.33; 354A.41, subdivision 2; 356.20, subdivisions 3 and 4; 356.215, subdivisions 2, 3, 5, 6, and 7; 422A.01, subdivision 6; 422A.04, subdivision 3; 422A.06, subdivisions 2, 5, and 8; 422A.101, as amended; 422A.15, subdivisions 2 and 3; 422A.16, subdivisions 2 and 3a; 422A.17; 422A.23, subdivisions 6 and 7; 490.121, subdivision 20; 490.124, subdivision 11; Minnesota Statutes 1989 Supplement, sections 11A.18, subdivision 9; 136.82, subdivision 2; 352B.08, subdivision 3; 353.30, subdivision 3; 354.35; 354A.32, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 3A and 352C; repealing Minnesota Statutes 1989 Supplement, section 352.116, subdivision 4.

Referred to the Committee on Governmental Operations.

Mr. Diessner introduced—

S.F. No. 2187: A bill for an act relating to abortion; providing the manner of authorizing abortion for minors; amending Minnesota Statutes 1988, section 144.343; proposing coding for new law in Minnesota Statutes, chapter 144.

Referred to the Committee on Health and Human Services.

Ms. Reichgott, Mrs. Pariseau, Mr. Spear and Ms. Berglin introduced—

S.F. No. 2188: A bill for an act relating to children; providing improved procedures to protect the safety and welfare of abused and neglected children; providing for more permanent placements of children in need of protection or services; improving data practices; appropriating money for early intervention and targeted family services, and for family planning grants; amending Minnesota Statutes 1988, sections 147.09; 260.011, subdivision 2; 260.155, subdivision 1; 626.556, subdivision 1, and by adding a subdivision; 626.559, subdivision 2; Minnesota Statutes 1989 Supplement, sections 245A.04, subdivision 3; 260.015, subdivision 2a; 260.161, subdivision 2; 260.171, subdivision 4; 260.191, subdivision 1; 260.221, subdivision 1; 626.556, subdivisions 2, 10e, and 11; and 626.558, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 245 and 260.

Referred to the Committee on Health and Human Services.

Ms. Reichgott, Mr. Spear, Ms. Flynn, Messrs. Pogemiller and McGowan introduced—

S.F. No. 2189: A bill for an act relating to family law; requiring child custody investigators to consider statutory factors in preparing custody reports; authorizing courts to exclude a respondent from the place of employment of a petitioner in an order for protection; clarifying the probable cause arrest provision for violations of orders for protection; authorizing bonds to ensure compliance with orders for protection; authorizing referrals to prosecuting authorities for violations of orders for protection; amending Minnesota Statutes 1988, sections 518.167, subdivision 2; and 518B.01, subdivisions 6, 7, and 14.

Referred to the Committee on Judiciary.

Messrs. Morse, Merriam, Dahl and Laidig introduced—

S.F. No. 2190: A bill for an act relating to the environment; recognizing the hydrological cycle of water purification through the atmosphere; establishing a list of persistent toxic substances; requiring the pollution control agency to establish best available reduction technology, to monitor toxic emissions, and to adopt standards and a plan to regulate toxic release/discharge, ambient concentration, and deposition; requiring reports to the legislature; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116.

Referred to the Committee on Environment and Natural Resources.

Messrs. Morse, Dicklich and DeCramer introduced—

S.F. No. 2191: A bill for an act relating to education; deleting the four-year or equivalent limitation on post-secondary child care grants; amending Minnesota Statutes 1989 Supplement, section 136A.125, subdivision 2.

Referred to the Committee on Education.

Mr. Freeman, Ms. Flynn, Messrs. Laidig, Morse and Marty introduced—

S.F. No. 2192: A bill for an act relating to crime; expanding the crime of first degree murder to include certain deaths caused by domestic abuse; imposing penalties; amending Minnesota Statutes 1988, section 609.185.

Referred to the Committee on Judiciary.

Mr. Spear introduced—

S.F. No. 2193: A bill for an act relating to traffic safety; expanding the crime of refusing to submit to an implied consent test; expanding the crime of aggravated driving while intoxicated; amending Minnesota Statutes 1988, section 169.129; Minnesota Statutes 1989 Supplement, section 169.121, subdivision 1a.

Referred to the Committee on Judiciary.

Messrs. Merriam, Novak, Bertram and Mrs. McQuaid introduced—

S.F. No. 2194: A bill for an act relating to hazardous materials; directing the commissioner of public safety to plan a system for a regional hazardous

materials incident response program; establishing an advisory council; appropriating money.

Referred to the Committee on Governmental Operations.

Messrs. Morse, Merriam and Novak introduced—

S.F. No. 2195: A bill for an act relating to waste; prohibiting certain types of low-level radioactive waste from being disposed of at other than licensed facilities; proposing coding for new law in Minnesota Statutes, chapter 116C.

Referred to the Committee on Environment and Natural Resources.

Messrs. Ramstad, Spear and Freeman introduced—

S.F. No. 2196: A bill for an act relating to sentencing; requiring court administrators to maintain information on the felony sentencing practices of the district court judges; amending Minnesota Statutes 1988, section 485.07.

Referred to the Committee on Judiciary.

Mr. Benson, Mrs. Pariseau, Messrs. McGowan, Piepho and Mrs. McQuaid introduced—

S.F. No. 2197: A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 4, and to article V, section 2, limiting the term of consecutive service of the governor, senators, and representatives to 12 consecutive years.

Referred to the Committee on Elections and Ethics.

Messrs. Benson; Frederickson, D.R.; Piepho; Mrs. McQuaid and Mr. Anderson introduced—

S.F. No. 2198: A bill for an act relating to human services; providing increased wages for direct care staff at privately operated community-based residential programs; transferring and appropriating money.

Referred to the Committee on Health and Human Services.

Ms. Piper introduced—

S.F. No. 2199: A bill for an act relating to human services; imposing requirements for adoptions; requiring certain records; classifying certain records as private data and confidential data; clarifying interstate and inter-country placements; requiring adoption placement to be done by an authorized agency; requiring a preplacement adoption family study for an independent adoption; requiring a statement of rights of birth and adoptive parents for placement pursuant to termination of parental rights; establishing expenses to be paid by the adoptive parents; imposing penalties; amending Minnesota Statutes 1988, sections 257.01; 257.02; 257.05; 257.06; 257.41; 257.45; 257.46; 259.21, subdivisions 1, 6, and by adding subdivisions; 259.22, subdivisions 1 and 2; 259.24, subdivisions 1, 8, and by adding a subdivision; 259.27, subdivisions 1 and 5; 259.28, subdivision 1; 259.31; 259.33; 259.40, subdivisions 1 and 4; 259.47, subdivisions 1, 3, and 4; 260.242, subdivision 2; and 317.65, subdivision 7; Minnesota Statutes 1989 Supplement, section 257.03; proposing coding for new law

in Minnesota Statutes, chapters 257 and 259.

Referred to the Committee on Health and Human Services.

Mr. Peterson, R.W. introduced—

S.F. No. 2200: A bill for an act relating to the collection and dissemination of data; proposing classifications of data as private and nonpublic; clarifying access to data on decedents; changing classification nomenclature as it relates to medical examiner's data; establishing a statute of limitations for actions brought; amending Minnesota Statutes 1988, sections 13.10, subdivision 3; 13.83, subdivisions 4, 5, 7, and 9; Minnesota Statutes 1989 Supplement, sections 13.83, subdivision 8; 171.06, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 13; repealing Minnesota Statutes 1988, section 13.641.

Referred to the Committee on Judiciary.

Mr. Peterson, R.W. introduced—

S.F. No. 2201: A bill for an act relating to education; permitting the department of education to distribute grants to innovative adult basic education providers; amending Laws 1989, chapter 329, article 4, section 19, subdivision 2.

Referred to the Committee on Education.

Mr. Peterson, R.W. introduced—

S.F. No. 2202: A bill for an act relating to education; providing for the development of two regional assessment and training center sites for learning disabled adults; appropriating money.

Referred to the Committee on Education.

Messrs. Knaak, Anderson, Stumpf and Laidig introduced—

S.F. No. 2203: A bill for an act relating to employment and training; providing for a one-month probationary period for participants in the wage subsidy program; amending Minnesota Statutes 1988, section 268.681, subdivision 3.

Referred to the Committee on Employment.

Mr. Brandl introduced—

S.F. No. 2204: A bill for an act relating to human services; establishing requirements, procedures, and incentives for child support and medical support enforcement; appropriating money; amending Minnesota Statutes 1988, sections 171.07, subdivision 1a; 518.551, subdivisions 1 and 5; 518.611, subdivisions 1, 2, 8, 8a, and by adding a subdivision; 518C.02, by adding subdivisions; 518C.03; 518C.05; 518C.09; 518C.12; 518C.27, subdivision 1; and Minnesota Statutes 1989 Supplement, sections 256.74, subdivision 1; 518.551, subdivision 10; 518.611, subdivision 4; 518.613, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 256.

Referred to the Committee on Health and Human Services.

Messrs. Moe, D.M.; Morse; Laidig and Ramstad introduced—

S.F. No. 2205: A bill for an act relating to the metropolitan waste control commission; providing for criminal and civil penalties for violations of pretreatment standards; proposing coding for new law in Minnesota Statutes, chapter 473.

Referred to the Committee on Local and Urban Government.

Mr. Pogemiller, Ms. Flynn, Messrs. Solon and Marty introduced—

S.F. No. 2206: A bill for an act relating to education; extending certain levies and bonding authority for school districts in cities of the first class; amending Minnesota Statutes 1989 Supplement, sections 124.225, subdivision 1; 275.125, subdivisions 5e and 6i; Laws 1959, chapter 462, section 3, subdivision 10, as amended.

Referred to the Committee on Education.

Mr. Berg introduced—

S.F. No. 2207: A bill for an act relating to agriculture; requiring cash discounts on agricultural production inputs if there are interest discounts on credit terms for seller-financed sales; proposing coding for new law in Minnesota Statutes, chapter 325E.

Referred to the Committee on Agriculture and Rural Development.

Ms. Flynn and Mr. McGowan introduced—

S.F. No. 2208: A bill for an act relating to crimes; making it a crime for an alleged or adjudicated juvenile delinquent who is 18 years old to escape from a local juvenile correctional facility; amending Minnesota Statutes 1988, section 609.485, subdivisions 2 and 4.

Referred to the Committee on Judiciary.

Ms. Flynn and Mr. McGowan introduced—

S.F. No. 2209: A bill for an act relating to juvenile justice; providing that it is a prima facie case for reference for prosecution as an adult if a child is alleged to have committed a felony offense as part of, or subsequent to, the delinquent act of escape from confinement to a local juvenile correctional facility; amending Minnesota Statutes 1988, sections 260.015, subdivision 5; and Minnesota Statutes 1989 Supplement, section 260.125, subdivision 3.

Referred to the Committee on Judiciary.

Ms. Flynn introduced—

S.F. No. 2210: A bill for an act relating to occupations and professions; defining license requirements for asbestos contractors, consultants, and project monitors; providing penalties; amending Minnesota Statutes 1988, sections 326.71; 326.72; 326.73; 326.74; 326.75, by adding a subdivision; 326.78, subdivision 1, and by adding a subdivision; and 326.80; Minnesota Statutes 1989 Supplement, section 326.78, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 326.

Referred to the Committee on Health and Human Services.

Mr. Luther introduced—

S.F. No. 2211: A bill for an act relating to insurance; accident and health; prohibiting the nondiagnostic use of X-rays; regulating trade practices; regulating the payment of health claims; amending Minnesota Statutes 1988, sections 72A.19, subdivision 1; 72A.20, subdivision 12, and by adding subdivisions; 72A.201, subdivisions 3 and 4; proposing coding for new law in Minnesota Statutes, chapters 62A and 72A.

Referred to the Committee on Commerce.

Messrs. Vickerman and Stumpf introduced—

S.F. No. 2212: A bill for an act relating to drivers' licenses; providing for electronically produced images on drivers' licenses; amending Minnesota Statutes 1988, sections 171.07, subdivisions 1a and 6; and 171.071; Minnesota Statutes 1989 Supplement, section 171.07, subdivisions 1 and 3.

Referred to the Committee on Transportation.

Messrs. DeCramer, Vickerman, Metzen and Mrs. McQuaid introduced—

S.F. No. 2213: A bill for an act relating to traffic regulations; regulating wheel flaps and covered loads; imposing a penalty; amending Minnesota Statutes 1988, sections 169.733; and 169.81, subdivision 5, and by adding a subdivision.

Referred to the Committee on Transportation.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 2:00 p.m., Thursday, March 1, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-FIFTH DAY

St. Paul, Minnesota, Thursday, March 1, 1990

The Senate met at 2:00 p.m. and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Donald Meisel.

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

Adkins	Dahl	Johnson, D.E.	Mehrkens	Pogemiller
Anderson	Davis	Johnson, D.J.	Merriam	Purfeerst
Beckman	Decker	Knaak	Metzen	Ramstad
Belanger	DeCramer	Knutson	Moe, D.M.	Reichgott
Benson	Dicklich	Kroening	Moe, R.D.	Renneke
Berg	Diessner	Laidig	Morse	Samuelson
Berglin	Flynn	Langseth	Novak	Schmitz
Bernhagen	Frank	Lantry	Olson	Solon
Bertram	Frederick	Larson	Pariseau	Spear
Brandl	Frederickson, D.J.	Lessard	Pehler	Storm
Brataas	Frederickson, D.R.	Marty	Peterson, R.W.	Stumpf
Chmielewski	Freeman	McGowan	Piepho	Vickerman
Cohen	Hughes	McQuaid	Piper	Waldorf

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Gustafson and Luther were excused from the Session of today. Mr. Lessard was excused from the Session of today at 3:00 p.m. Mr. Belanger was excused from the Session of today at 3:15 p.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

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

February 2, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Vanne Hayes, 869 Carroll Ave., St. Paul, Ramsey County, has been appointed by me, effective January 24, 1990, for a term expiring the first Monday in January, 1994.

(Referred to the Committee on Elections and Ethics.)

February 14, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointments to the Citizens Advisory Committee to the Legislative Commission on Minnesota Resources regarding the Minnesota Environmental and Natural Resources Trust Fund are hereby respectfully submitted to the Senate for confirmation as required by law:

C. Merle Anderson, R.R. 1, St. James, Watonwan County, has been appointed by me, effective April 26, 1989, for a term expiring the first Monday in January, 1991.

Al Brodie, 2411 Woodland Dr., Faribault, Rice County, has been appointed by me, effective April 26, 1989, for a term expiring the first Monday in January, 1994.

Robert DeVries, 7213 Major Ave. N., Brooklyn Center, Hennepin County, has been appointed by me, effective April 26, 1989, for a term expiring the first Monday in January, 1994.

Gena Doyscher, 5801 - 216th St. N., Forest Lake, Washington County, has been appointed by me, effective April 26, 1989, for a term expiring the first Monday in January, 1992.

Robert Dunn, 708 - 4th St. S., Princeton, Mille Lacs County, has been appointed by me, effective April 26, 1989, for a term expiring the first Monday in January, 1991.

Ruth Fitzmaurice, 6400 York Ave. S., Edina, Hennepin County, has been appointed by me, effective April 26, 1989, for a term expiring the first Monday in January, 1992.

Jo Ellen Hurr, 930 Partenwood Rd., Long Lake, Hennepin County, has been appointed by me, effective April 26, 1989, for a term expiring the first Monday in January, 1991.

Jack Lavoy, 1725 Kenwood Ave., Duluth, St. Louis County, has been appointed by me, effective April 26, 1989, for a term expiring the first Monday in January, 1993.

Darby Nelson, 1013 Vera St., Champlin, Hennepin County, has been appointed by me, effective April 26, 1989, for a term expiring the first Monday in January, 1994.

John Rose, Rt. 1, Box 60, Underwood, Otter Tail County, has been appointed by me, effective April 26, 1989, for a term expiring the first Monday in January, 1992.

Joseph Sizer, 1974 Shryer Ave. W., Roseville, Ramsey County, has been appointed by me, effective April 26, 1989, for a term expiring the first Monday in January, 1993.

(Referred to the Committee on Environment and Natural Resources.)

February 14, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointment to the Citizens Advisory Committee to the Legislative Commission on Minnesota Resources regarding the Minnesota Environmental and Natural Resources Trust Fund is hereby respectfully submitted to the Senate for confirmation as required by law:

Marcia Keller, 8180 St. Croix Trl. S., Hastings, Washington County, has been appointed by me, effective July 10, 1989, for a term expiring the first Monday in January, 1991.

(Referred to the Committee on Environment and Natural Resources.)

Sincerely,
Rudy Perpich, Governor

MESSAGES FROM THE HOUSE

Mr. President:

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

S.F. No. 60: A bill for an act relating to water; recodifying, clarifying, and relocating provisions relating to water law; amending Minnesota Statutes 1988, sections 9.071; 16B.62, subdivision 1; 18.191; 18B.07, subdivision 6; 40A.13, subdivision 1; 41B.039, subdivision 3; 84.083, by adding subdivisions; 84.91, subdivision 4; 84.911, subdivisions 5 and 6; 84.95, subdivision 2; 85.33, subdivision 3; 86A.05, subdivision 10; 88.43, subdivision 2; 93.335, subdivision 1; 94.343, subdivision 4; 97A.015, subdivision 41; 97A.071, subdivision 4; 97A.101, subdivision 2; 115.097, subdivision 2; 144.95, subdivision 4; 156A.10, subdivision 2; 161.28, subdivision 1; 163.17; 272.02, subdivisions 1 and 6; 273.19, subdivision 5; 295.44, subdivision 1; 357.021, subdivision 2; 375.471; 383A.602, subdivision 5; 383A.604, subdivision 1; 394.25, subdivision 2; 459.20; 462.357, subdivision 1; 465.20; 469.141, subdivision 4; 469.174, subdivision 19; 471.345, subdivision 3; 471.591, subdivision 1; 471.98, subdivision 2; 473.191, subdivision 2; 609.68; and 645.44, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 83A; 97C; 156A; and 383B; proposing coding for new law as Minnesota Statutes, chapters 86B; 103A; 103B; 103C; 103D; 103E; 103F; and 103G; repealing Minnesota Statutes 1988, sections 40.01 to 40.45; 84.031; 84.032; and 84.158; 104.01 to 104.50; 105.37 to 105.81; 106A.005 to 106A.811; 110.13 to 110.72; 110B.01 to 110B.35; 112.34 to 112.89; 114.12 and 114.13; 114B.01 to 114B.07; 116C.41; 361.01 to 361.29; 378.01 to 378.57; 465.18; and 473.875 to 473.883.

Senate File No. 60 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 26, 1990

Mr. DeCramer moved that the Senate do not concur in the amendments by the House to S.F. No. 60, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1859 and 1985.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 26, 1990

FIRST READING OF HOUSE BILLS

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

H.F. No. 1859: A bill for an act relating to transportation; exempting volunteer drivers of private passenger vehicles from certain passenger service rules of the commissioner of transportation; amending Minnesota Statutes 1989 Supplement, section 221.031, subdivision 3a.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1806.

H.F. No. 1985: A bill for an act relating to insurance; regulating cease and desist orders and communications with the department of commerce; amending Minnesota Statutes 1988, sections 45.027, subdivision 5; and 60A.17, by adding a subdivision.

Referred to the Committee on Commerce.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 1895 and reports pertaining to appointments. The motion prevailed.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1917: A bill for an act relating to courts; providing an alternative dispute resolution pilot project in the second judicial district; amending Minnesota Statutes 1989 Supplement, section 484.74, subdivision 4.

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1943: A bill for an act relating to human rights; lengthening the statute of limitations for human rights act violations; amending Minnesota Statutes 1988, section 363.06, subdivision 3.

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

Page 1, line 6, delete "1988" and insert "1989 Supplement"

Page 2, after line 7, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1990, and applies to unfair discriminatory practices that occur on or after August 1, 1989."

Amend the title as follows:

Page 1, line 4, delete "1988" and insert "1989 Supplement"

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1680: A bill for an act relating to cooperatives; providing absentee ballots are secret ballots; amending Minnesota Statutes 1989 Supplement, section 308A.635, subdivision 6.

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

Page 1, line 25, strike everything after the period

Page 2, strike line 1

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1906: A bill for an act relating to crime victims; making the crime victim ombudsman accountable to the commissioner of public safety; clarifying that certain juvenile records are available to the ombudsman; amending Minnesota Statutes 1988, sections 611A.71, subdivision 6; 611A.74, subdivisions 1 and 3; and 611A.75.

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

Page 2, line 17, delete "*Juvenile records*" and insert "*Data*"

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2043: A bill for an act relating to crimes; defining "crime" for purposes of crime victims reparations; amending Minnesota Statutes 1988, section 611A.52, subdivision 6.

Reports the same back with the recommendation that the bill be amended

as follows:

Page 1, line 15, strike "Minnesota Statutes 1971,"

Page 1, line 25, reinstate the stricken ""Crime" does not include"

Page 2, line 9, delete "No" and insert "an"

Page 2, line 10, delete everything after "death"

Page 2, line 11, delete everything before the comma

Page 2, line 12, delete "does include" and insert "includes"

Page 2, line 16, delete ", or" and insert a semicolon and after "169.121;" insert "or 609.21;"

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1783: A bill for an act relating to education; allowing certain school districts to change education districts; amending Minnesota Statutes 1989 Supplement, section 122.91, subdivision 5.

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

Page 2, line 2, delete "*the education district*"

Page 2, line 3, delete "*as necessary*" and before "*education*" insert "*the*"

Page 2, line 4, delete "*received by*" and insert "*transferred from the previous education district*"

Page 2, line 5, delete "*or credited*" and delete "*appropriate*" and insert "*new*" and delete "*in light of*"

Page 2, line 6, delete "*the transfer*"

Page 2, after line 6, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective July 1, 1990."

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1717: A bill for an act relating to education; establishing a task force to coordinate educational opportunity on the border between Minnesota and South Dakota.

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

Page 1, line 10, delete "*must be appointed by the governor*" and insert "*shall include*"

Page 1, line 11, after the comma, insert "*appointed by the subcommittee on committees of the rules and administration committee of the senate;*"

Page 1, line 12, after "party" insert "appointed by the speaker of the house of representatives"

Page 1, delete lines 23 to 25 and insert:

"Section 1 is effective only if the state of South Dakota enacts a bill providing for South Dakota members of the education task force. If effective, section 1 is effective the day following final enactment by the state of Minnesota or the day following final enactment by the state of South Dakota, whichever is later."

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1815: A bill for an act relating to the city of Apple Valley; permitting the establishment of special service districts.

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

Page 2, line 7, after "(a)" insert "All the land encircled by or abutting the city ring route road system"

Page 2, line 28, delete "section 428A.01" and insert "chapter 428A"

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1820: A bill for an act relating to counties; permitting a county board to assign certain duties; proposing coding for new law in Minnesota Statutes, chapter 373.

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

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 1742: A bill for an act relating to the city of Savage; permitting the transfer of tax increments between project areas.

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

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 1850: A bill for an act relating to housing; establishing a procedure for the allocation of low-income housing tax credits; amending Minnesota Statutes 1988, sections 462A.221, by adding subdivisions; 462A.222, subdivisions 2, 3, and by adding a subdivision; and 462A.223, subdivision 2.

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

Page 3, line 14, delete “and in 1991 and thereafter,”

Page 3, line 32, after “the” insert “application”

Page 4, line 4, after “projects” insert “which are affordable by households whose income does not exceed 30 percent of the median income”

Page 4, line 6, after “bedrooms” insert “and at least 25 percent contain three or more bedrooms”

Page 4, line 7, delete “100” and insert “at least 50”

Page 4, after line 28, insert:

“Sec. 7. Minnesota Statutes 1988, section 462A.222, is amended by adding a subdivision to read:

Subd. 4. [DISTRIBUTION PLAN.] (a) By October 1, 1990, the metropolitan council, in consultation with the agency and representatives of local government and housing and redevelopment authorities, shall develop and submit to the agency a plan for allocating tax credits in 1991 and thereafter in the metropolitan area, based on regional housing needs and priorities.

(b) By October 1, 1990, the agency, in consultation with representatives of local government and housing and redevelopment authorities, shall develop a plan for allocating tax credits in 1991 and thereafter in greater Minnesota, based on regional housing needs and priorities.

(c) In preparing the distribution plans, the metropolitan council and the agency shall estimate the number of households in the metropolitan area and in greater Minnesota, respectively, who are paying more than 50 percent of their income for rent and the cost of providing sufficient rental or other assistance so that no household pays more than 50 percent of its income for rent. In addition, the metropolitan council and the agency shall identify the nature and scope of existing programs which primarily serve families at 60 percent of the median income and individuals at 30 percent of the median income. In preparing the estimate, the metropolitan council and the agency shall rely on existing and available data and shall report the results to the legislature no later than January 31, 1991.”

Page 5, line 13, delete “7” and insert “8”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete “a subdivision” and insert “subdivisions”

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1691: A bill for an act relating to children; establishing procedures for the placement and removal of children in foster homes; proposing coding for new law in Minnesota Statutes, chapter 257.

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

Page 2, delete subdivision 3 and insert:

"Subd. 3. [ADMINISTRATIVE REVIEW.] (a) A foster family that disagrees with a decision or order issued by an agency that affects the foster family or the care or other service provided to a child placed in the foster family is entitled to an administrative review which includes findings and recommendations from an impartial third party who is not employed by or affiliated with the agency but who is knowledgeable about foster care services. The impartial third party may be an employee of another county or agency. The foster family must request an administrative review in writing. The request must identify the decision or order being contested and a brief statement of the reasons the family disagrees with the decision or order. Upon receiving the request, the agency must schedule a review hearing. The agency and the family may conduct further investigations and obtain additional information relating to the contested issue. The family must be given an adequate opportunity to examine all documents and records to be considered in the review at a reasonable time prior to, and during, the review hearing. The family may be represented at the review hearing. The hearing must include both the agency caseworker who made or recommended the contested decision or order and either the caseworker's supervisor or another knowledgeable agency worker who did not participate in the original decision. The family and the agency may produce witnesses and other evidence to establish facts and circumstances pertinent to the contested decision. Both the agency and the family may question or refute testimony offered at the review and may cross-examine adverse witnesses. A continuance for a reasonable time may be granted by the impartial third party if an issue is raised for the first time at the review hearing. The right to a continuance may be waived with the consent of the parties. After the hearing, the impartial third party must compile an official record of the hearing consisting of a transcript or description of the substance of the hearing, along with all documents and records presented at the hearing. As soon as possible after the hearing, the impartial third party must make a written recommendation based exclusively on the official record. The recommendation must either affirm the agency's original decision or recommend an alternative decision. The impartial third party's recommendation must specify the reasons for the decision and identify the supporting evidence. A certified copy of the recommendation must be sent to the foster family. Upon receiving the recommendation of the impartial third party, the agency shall notify the foster family of the agency's final decision. The impartial third party's recommendation is not binding on the agency. However, the agency's final decision must be based exclusively on the official record of the hearing. The agency caseworker who made or recommended the original contested order or decision may not participate in the final agency decision. If the agency departs from the recommendation of the impartial third party, the agency must state the reasons for the departure.

(b) This subdivision does not alter or limit any rights or remedies that may be available to a foster family under other laws and rules. However, the recommendation of the impartial third party, the official record of the hearing, and the evidence presented at the hearing are admissible in any other legal action or proceeding, subject to the restrictions of the government data practices act in chapter 13. The foster family need not exhaust the administrative remedies in paragraph (a) before seeking judicial review."

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1689: A bill for an act relating to human services; establishing a program to pay health insurance premiums on behalf of persons with AIDS to enable them to continue coverage under a private health plan; proposing coding for new law in Minnesota Statutes, chapter 256.

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

Page 1, line 9, delete "AIDS PATIENTS" and insert "PERSONS WITH A FATAL DISEASE"

Page 1, line 12, after "*for*" insert "*eligible*" and delete everything after "*persons*"

Page 1, line 13, delete "*immunodeficiency virus (HIV)*"

Page 1, line 24, delete "*is infected with HIV and*"

Page 1, line 26, delete "*HIV-related*" and insert "*a fatal*"

Page 2, delete lines 1 to 5

Page 2, line 6, delete "(4)" and insert "(2)"

Page 2, line 10, delete "(5)" and insert "(3)"

Page 2, line 11, delete "*whose*" and insert a period

Page 2, delete lines 12 and 13

Page 2, line 15, delete everything after the period

Page 2, delete line 16

Page 2, line 17, delete "*clause (5),*" and insert "*The rules*"

Page 2, line 18, delete "*an individual plan*" and insert "*a*"

Amend the title as follows:

Page 1, line 4, delete "AIDS" and insert "a fatal disease"

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2130: A bill for an act relating to insurance; regulating the practices and record keeping of, and disclosures by, public adjusters; amending Minnesota Statutes 1988, section 72B.135, by adding subdivisions.

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 1922: A bill for an act relating to commerce; exempting credit unions from certain requirements for closing agents; amending Minnesota Statutes 1989 Supplement, section 82.20, subdivision 15.

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 1682: A bill for an act relating to liquor; authorizing an on-sale liquor license for the Earle Brown Heritage Center.

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 2030: A bill for an act relating to public safety; providing for inspection of commercial motor vehicles; setting fees; prescribing a penalty; increasing complement of state patrol; amending Minnesota Statutes 1988, sections 221.031, subdivision 1, and by adding a subdivision; 221.221, subdivisions 2 and 3; and 221.605, subdivision 1; Minnesota Statutes 1989 Supplement, section 221.031, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapter 169.

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

Delete everything after the enacting clause and insert:

“Section 1. [169.781] [ANNUAL INSPECTION OF COMMERCIAL MOTOR VEHICLES.]

Subdivision 1. [DEFINITIONS.] For purposes of sections 1 to 3:

(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 drawn by a commercial motor vehicle.

“Commercial motor vehicle” does not include a school bus displaying a certificate under section 169.451.

(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.

Subd. 2. [INSPECTION REQUIRED.] It is unlawful for a person to operate or permit the operation of a commercial motor vehicle registered in Minnesota unless the vehicle displays a valid safety inspection decal issued by an inspector certified by the commissioner.

Subd. 3. [WHO MAY INSPECT.] (a) An inspection required by this section may be performed only by:

(1) an employee of the department of public safety or transportation who has been certified by the commissioner after having received training provided by the state patrol; or

(2) another person who has been certified by the commissioner after having received training provided by the state patrol.

(b) A person who is not an employee of the department of public safety or transportation may be certified by the commissioner if the person is: (1) an owner, or employee of the owner, of five or more commercial motor vehicles that are power units; (2) a dealer licensed under section 168.27

and engaged in the business of buying and selling commercial motor vehicles, or an employee of the dealer; or (3) engaged primarily in the business of repairing and servicing commercial motor vehicles. Certification of persons described in clauses (1) to (3) is effective for one year from the date of certification. The commissioner may require annual retraining of persons holding a certificate under this paragraph as a condition of renewal of the certificate. A certified person described in clauses (1) to (3) may charge a fee of not more than \$50 for each inspection of a vehicle not owned by the person or the person's employer.

(c) The commissioner may classify types of vehicles for inspection purposes and may adopt separate inspection procedures and issue separate classes of inspector certificates for each class.

(d) The commissioner, after notice and an opportunity for a hearing, may suspend a certificate issued under paragraph (b) for failure to meet annual certification requirements prescribed by the commissioner or failure to inspect commercial motor vehicles in accordance with inspection procedures established by the state patrol. The commissioner shall revoke a certificate issued under paragraph (b) if the commissioner determines after notice and an opportunity for a hearing that the certified person issued an inspection decal for a commercial motor vehicle when the person knew or reasonably should have known that the vehicle was in such a state of repair that it would have been declared out of service if inspected by an employee of the state patrol. Suspension and revocation of certificates under this subdivision are not subject to sections 14.57 to 14.69.

Subd. 4. [INSPECTION REPORTS.] (a) A person performing an inspection under this section shall issue an inspection report to the owner of the commercial motor vehicle inspected. The report must include:

(1) the full name of the person performing the inspection, and the person's inspector certification number;

(2) the name of the owner of the vehicle and, if applicable, the United States Department of Transportation carrier number issued to the owner of the vehicle, or to the operator of the vehicle if other than the owner;

(3) the vehicle identification number and, if applicable, the license plate number of the vehicle;

(4) the date and location of the inspection;

(5) the vehicle components inspected and a description of the findings of the inspection, including identification of the components not in compliance with federal motor carrier safety regulations; and

(6) the inspector's certification that the inspection was complete, accurate, and in compliance with the requirements of this section.

(b) The owner must retain a copy of the inspection report for at least one year at a location in the state where the vehicle is domiciled or maintained. During this period the report must be available for inspection by an authorized federal, state, or local official.

(c) The commissioner shall prescribe the form of the inspection report and revise it as necessary to comply with state and federal law and regulations. The adoption of the report form is not subject to the administrative procedure act.

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.

Subd. 6. [REVIEWS; RANDOM INSPECTIONS; AUDITS.] Employees of the state patrol and motor transportation representatives of the department of transportation may review records required to be kept under subdivision 4, paragraph (b), and conduct random vehicle inspections and audits at the facility of an owner of a commercial motor vehicle.

Subd. 7. [DISPOSITION OF REVENUES.] The commissioner shall pay all revenues received under this section to the state treasurer for deposit in the trunk highway fund.

Subd. 8. [VIOLATIONS; PENALTY.] A violation of this section is a misdemeanor.

Sec. 2. [169.782] [DAILY INSPECTION OF COMMERCIAL MOTOR VEHICLES.]

Subdivision 1. [DRIVERS; DAILY INSPECTION REPORT.] (a) The driver of a commercial motor vehicle shall report in writing at the completion of each day's work on each commercial motor vehicle the driver has operated. A person who owns one or more commercial motor vehicles and who employs drivers for those commercial motor vehicles must require each driver to report as required in this section. The report must cover the following parts and accessories: service brakes, including trailer and semitrailer brake connections; parking (hand) brake; steering mechanism; lighting devices and reflectors; tires; horn; windshield wiper or wipers; rear vision mirror or mirrors; coupling devices; wheels and rims; and emergency equipment.

(b) The report must identify the vehicle and list any defect or deficiency discovered by or reported to the driver that would affect the safe operation of the vehicle or result in its mechanical breakdown. If no defect or deficiency is discovered by or reported to the driver, the report must so indicate. The driver must sign the report after completing it. In the case of a commercial motor vehicle operated by two drivers, the signature of one of the drivers satisfies the requirements of this subdivision if both drivers agree concerning the defects or deficiencies. If a driver operates more than one commercial motor vehicle during a day's work, a report must be prepared for each vehicle operated.

(c) Before operating or allowing the operation of a commercial motor vehicle on which a report has been prepared under this subdivision, the owner of the vehicle or the owner's agent must repair defects or deficiencies listed on the report that would be sufficient under inspection procedures established by the state patrol to require the vehicle to be declared out of service. Before allowing the commercial motor vehicle to be operated

again, the owner or the owner's agent must certify, on the report listing the defect or deficiency, that the defect or deficiency has been corrected or that correction is unnecessary. A motor carrier must keep the original vehicle inspection report for at least three months after the date of inspection. The report must be available for inspection by an authorized federal, state, or local official at any time during this period.

(d) A copy of the vehicle inspection report, including a certification of corrections resulting from the report, must be carried in the commercial motor vehicle, or in the power unit of a commercial motor vehicle combination, at all times when the vehicle or power unit is operated until the next inspection report is completed under this subdivision. The copy must be made available on demand to: (1) a peace officer; (2) a person authorized under section 221.221; and (3) a person described in section 299D.06.

Subd. 2. [DRIVERS; PRETRIP INSPECTION.] (a) Before driving a commercial motor vehicle, a driver must:

- (1) review the most recent vehicle inspection report on the vehicle;
- (2) determine that the vehicle is in safe operating condition; and
- (3) sign the inspection report in the vehicle.

The driver shall sign the report only if all defects and deficiencies listed in the report have been certified as having been corrected or as not requiring correction.

(b) If the commercial motor vehicle does not contain the previous day's inspection report, the driver must make the inspection and complete the report required under subdivision 1.

Subd. 3. [OPERATION PROHIBITED.] It is a misdemeanor to drive or to cause another person to drive a commercial motor vehicle that does not contain a copy of an inspection report complying with this section.

Subd. 4. [EXCEPTIONS.] (a) With the exception of subdivision 2, paragraph (a), clause (2), this section does not apply to a commercial motor vehicle that is a farm truck that may be operated by a person not holding a commercial driver's license.

(b) This section does not apply to a commercial motor vehicle held for resale by a motor vehicle dealer licensed under section 168.27.

Sec. 3. [169.783] [ACCIDENTS; REINSPECTION.]

Subdivision 1. [POSTCRASH INSPECTION.] A peace officer responding to an accident involving a commercial motor vehicle must immediately notify the state patrol if the accident results in death, personal injury, or property damage to an apparent extent of more than \$4,500. It is a misdemeanor for a person to drive or cause to be driven a commercial motor vehicle after such an accident unless the vehicle: (1) has been inspected by a state trooper or other person authorized to conduct inspections under section 1, subdivision 3, paragraph (a), who is an employee of the department of public safety or transportation, and the person inspecting the vehicle has determined that the vehicle may safely be operated; or (2) a waiver has been granted under subdivision 2.

Subd. 2. [WAIVER.] A state trooper or other authorized person called to the scene of an accident by a responding peace officer under subdivision 1 may waive the inspection requirement of that subdivision if the person

determines that a postcrash inspection is not needed or cannot be accomplished without unreasonable delay. A person who grants a waiver must provide to the driver of the commercial motor vehicle for which the waiver is granted a written statement that the inspection has been waived. The written statement must include the incident report number assigned to the accident by the state patrol.

Sec. 4. Minnesota Statutes 1988, section 221.031, subdivision 1, is amended to read:

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 1 to 3.*

(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.

Sec. 5. Minnesota Statutes 1989 Supplement, section 221.031, subdivision 2a, is amended to read:

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 safety of operations and equipment, except as provided in ~~paragraph~~ 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 1, subdivision 1, must comply with sections 1 to 3.

Sec. 6. Minnesota Statutes 1988, section 221.031, is amended by adding a subdivision to read:

Subd. 8. [DRIVEAWAY-TOWAWAY EXEMPTION.] Notwithstanding Minnesota Rules, part 8850.9000, for purposes of regulating commercial motor vehicles as defined in section 1, 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.

Sec. 7. Minnesota Statutes 1988, section 221.221, subdivision 2, is amended to read:

Subd. 2. [POWERS.] Transportation representatives and hazardous material specialists of the department for the purpose of enforcing the provisions of this chapter ~~and section, sections 1 to 3, and 296.17~~, subdivisions 10 and 17, and the applicable rules, orders, or directives of the commissioner, the commissioner of revenue, and the board issued under this chapter and chapter 296, but for no other purpose, have the powers conferred by law upon police officers. The powers include the authority to conduct inspections at designated highway weigh stations or under other appropriate circumstances.

Sec. 8. Minnesota Statutes 1988, section 221.221, subdivision 3, is amended to read:

Subd. 3. [DELEGATED POWERS.] Representatives of the department to whom authority has been delegated by the commissioner for the purpose of enforcing sections 1 to 3, 221.041, and 221.171 and the rules, orders, or directives of the commissioner or board adopted or issued under those sections, and for no other purpose, shall have the powers conferred by law upon police officers. The representatives of the department have the power to inspect records, logs, freight bills, bills of lading, or other documents which may provide evidence to determine compliance with sections 1 to 3, 221.041, and 221.171.

Sec. 9. Minnesota Statutes 1988, section 221.605, subdivision 1, is amended to read:

Subdivision 1. [FEDERAL REGULATIONS.] 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, 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 1, 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.*

Sec. 10. [STATE PATROL COMPLEMENT.]

The complement of the state patrol in the department of public safety is increased by three state trooper positions and one clerical staff person to administer the program under sections 1 to 3, and increased by four state trooper positions to administer a four-vehicle combination program.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 10 are effective July 1, 1990."

Delete the title and insert:

"A bill for an act relating to traffic regulations; requiring annual inspections of commercial motor vehicles; providing for the certification of persons to conduct annual inspections; requiring daily pre-trip inspections; requiring post-accident inspections; prescribing fees; providing penalties; amending Minnesota Statutes 1988, sections 221.031, subdivision 1, and by adding a subdivision; 221.221, subdivisions 2 and 3; and 221.605, subdivision 1; Minnesota Statutes 1989 Supplement, section 221.031, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapter 169."

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1806: A bill for an act relating to transportation; exempting volunteer drivers of private passenger vehicles from certain passenger service rules of the commissioner of transportation; amending Minnesota Statutes 1989 Supplement, section 221.031, subdivision 3a.

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1947: A bill for an act relating to highways; naming and designating as Moberg Trail that portion of Constitutional Route No. 46 located within Chisago county; amending Minnesota Statutes 1988, section 161.14, by adding a subdivision.

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1752: A bill for an act relating to railroads; establishing standard for abandonment of tracks; clarifying standard for abandonment of shops, terminals, and stations; amending Minnesota Statutes 1988, sections 219.681; 219.71; and 219.85.

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1698: A bill for an act relating to health; codifying existing law restricting construction of new hospitals; repealing a sunset; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Laws 1984, chapter 654, article 5, section 57; Laws 1987, chapter 75, sections 1 and 2; Laws 1988, chapter 689, article 2, section 238; and Laws 1989, chapter 282, article 2, section 204.

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

Page 1, line 12, before "The" insert "Until July 1, 1993."

Page 3, line 9, delete "or"

Page 3, line 15, after "beds" insert ";

(11) the relocation of licensed hospital beds from an existing state facility operated by the commissioner of human services to a new or existing facility, building, or complex operated by the commissioner of human services, or from one regional treatment center site to another; or

(12) the construction or relocation of hospital beds operated by a hospital having a statutory obligation to provide hospital and medical services for the indigent that does not result in a net increase in the number of hospital beds"

Page 4, line 4, delete the semicolon and insert ", as amended by"

Amend the title as follows:

Page 1, line 6, delete everything after "57" and insert ", as amended."

Page 1, delete lines 7 and 8

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was re-referred

S.F. No. 1238: A bill for an act relating to county officers; removing a residency requirement for county assessors; providing for fees charged by county recorder; amending Minnesota Statutes 1988, sections 273.061, subdivision 1; and 357.18, subdivision 1.

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

Page 2, line 4, delete the period and insert a comma

Page 2, lines 5 to 8, delete the new language and insert "except for documents containing multiple assignments, partial releases or satisfactions, the fee shall be \$10 for each document number or book and page cited"

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2110: A bill for an act relating to insurance; accident and health; providing for coordination of benefits between group and individual contracts; amending Minnesota Statutes 1989 Supplement, section 62A.046.

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

Page 2, line 23, after the period, insert "*Benefits coordinated under this paragraph must provide for 100 percent coverage of an insured, subscriber, or enrollee.*"

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2153: A bill for an act relating to insurance; clarifying an insurer's duty to provide loss or claims experience data to an insured; amending Minnesota Statutes 1989 Supplement, section 72A.20, subdivision 26.

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

Page 2, after line 5, insert:

"Sec. 2. Minnesota Statutes 1989 Supplement, section 72A.501, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT; CONTENT.] An authorization used by an insurer, insurance-support organization, or insurance agent to disclose or collect personal or *privileged* information must be in writing and must meet the following requirements:

- (1) is written in plain language;
- (2) is dated;
- (3) specifies the types of persons authorized to disclose information about the person;
- (4) specifies the nature of the information authorized to be disclosed;
- (5) names the insurer or insurance agent and identifies by generic reference representatives of the insurer to whom the person is authorizing information to be disclosed;
- (6) specifies the purposes for which the information is collected; and
- (7) specifies the length of time the authorization remains valid.

Sec. 3. Minnesota Statutes 1989 Supplement, section 72A.502, subdivision 9, is amended to read:

Subd. 9. [GROUP POLICYHOLDER.] Personal or privileged information may be disclosed ~~with~~ *without* written authorization to a group policyholder only to report *aggregate* claims experience or conduct an audit of the insurer's or agent's operations or services, if the information disclosed is reasonably necessary for the group policyholder to conduct the review or audit.

Sec. 4. Minnesota Statutes 1989 Supplement, section 72A.502, is amended by adding a subdivision to read:

Subd. 11a. [MERGER OR SALE.] Personal or privileged information may be disclosed to a party or representative of a party to a proposed or consummated sale, transfer, merger, or consolidation of all or part of the business of the insurer, agent, or insurance-support organization, without a written authorization provided:

(1) prior to the consummation of the sale, transfer, merger, or consolidation, only such information is disclosed as is reasonably necessary to enable the recipient to make business decisions about the merger, transfer, purchase, or consolidation; and

(2) the recipient agrees not to disclose the information unless the disclosure would otherwise be permitted by this section if made by an insurer, agent, or insurance-support organization."

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, before the period, insert "; 72A.501, subdivision 1; and 72A.502, subdivision 9, and by adding a subdivision"

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

Mr. Bertram from the Committee on Veterans and Military Affairs, to which was referred

S.F. No. 1884: A bill for an act relating to the national guard; allowing certain transfers of the right to tuition reimbursement; amending Minnesota Statutes 1989 Supplement, section 192.501, subdivision 2.

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

Mr. Bertram from the Committee on Veterans and Military Affairs, to which was referred

S.F. No. 1883: A bill for an act relating to the national guard; providing a cash bonus to each member of the Minnesota national guard; appropriating money.

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

Page 1, line 9, delete "*defined*" and insert "*developed and published*"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1731: A bill for an act relating to human services; clarifying treatment and assessment requirements under the Minnesota comprehensive mental health acts for adults and children; amending Minnesota Statutes 1988, section 245.467, subdivision 2; Minnesota Statutes 1989 Supplement, sections 245.467, subdivision 3; 245.469; 245.4711, subdivisions 1, 2, and 3; 245.4871, subdivision 3; 245.4873, subdivision 2; 245.4876, subdivisions 2 and 3; 245.4879; 245.4881, subdivisions 1, 2, 3, and 4;

245.4882, subdivision 1; 245.4883, subdivision 1; 245.4885, subdivision 1; 245.696, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 245; repealing Minnesota Statutes 1989 Supplement, sections 245.4711, subdivisions 6, 7, and 8; and 245.4881, subdivisions 6 to 10.

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

Page 1, line 27, delete "*but no later than*" and insert "*or within*" and after "*intake*" insert ", *whichever occurs first*"

Page 2, line 18, strike "*thereafter*" and insert "*after intake. Providers of day treatment services must develop the individual treatment plan before the completion of five working days in which service is provided or within 30 days after the diagnostic assessment is completed or obtained, whichever occurs first*"

Page 2, line 19, delete "*and day treatment services*"

Page 2, line 21, delete "*within 15 days after the*"

Page 2, delete line 22 and insert "*obtained or by the end of the second session of an outpatient service, not including the session in which the diagnostic assessment was provided.*"

Page 4, line 32, before "*determination*" insert "*eligibility*"

Page 5, line 16, before the comma, insert "*and if the adult consents to the services*"

Page 5, line 19, strike "*an*" and insert "*the*"

Page 6, line 7, after "*the*" insert "*need for and*"

Page 6, line 9, delete "*as determined by client need*"

Page 6, line 17, delete "*community*" and after "*support*" insert "*for residing in the community*"

Page 7, after line 5, insert:

"Sec. 8. Minnesota Statutes 1989 Supplement, section 245.487, subdivision 2, is amended to read:

Subd. 2. [FINDINGS.] The legislature finds there is a need for further development of existing clinical services for emotionally disturbed children and their families and the creation of new services for this population. Although the services specified in sections 245.487 to 245.4887 are mental health services, sections 245.487 to 245.4887 emphasize the need for a child-oriented and family-oriented approach of therapeutic programming and the need for continuity of care with other community agencies. At the same time, sections 245.487 to 245.4887 emphasize the importance of developing special mental health expertise in children's mental health services because of the unique needs of this population.

Nothing in this act shall be construed to abridge the authority of the court to make dispositions under chapter 260 *but the mental health services due any child with serious and persistent mental illness, as defined in section 245.462, subdivision 20, or with severe emotional disturbance, as defined in section 245.4871, subdivision 6, shall be made a part of any disposition affecting that child.*

Sec. 9. Minnesota Statutes 1989 Supplement, section 245.487, subdivision 5, is amended to read:

Subd. 5. [CONTINUATION OF EXISTING MENTAL HEALTH SERVICES FOR CHILDREN.] Counties shall make available case management, community support services, and day treatment to children eligible to receive these services under Minnesota Statutes 1988, section 245.471. No later than August 1, 1989, the county board shall notify providers in the local system of care of their obligations to refer children eligible for case management and community support services as of January 1, 1989. *The county board shall forward a copy of this notice to the commissioner. The notice shall indicate which children are eligible, a description of the services, and the name of the county employee designated to coordinate case management activities and shall include a copy of the plain language notification described in section 245.4881, subdivision 2, paragraph (b). Providers shall distribute copies of this notification when making a referral for case management.*

Page 7, line 17, before "developing" insert "*assisting in obtaining a comprehensive diagnostic assessment, if needed,*"

Page 8, after line 29, insert:

"Sec. 12. Minnesota Statutes 1989 Supplement, section 245.4874, is amended to read:

245.4874 [DUTIES OF COUNTY BOARD.]

The county board in each county shall use its share of mental health and community social service act funds allocated by the commissioner according to a biennial local children's mental health service proposal required under section 245.4887, and approved by the commissioner. The county board must:

(1) develop a system of affordable and locally available children's mental health services according to sections 245.487 to 245.4887;

(2) *establish a central point of information and referral about children's mental health services and assure that parents and providers in the county receive information about how to gain access to services provided according to sections 245.487 to 245.4887;*

(3) coordinate the delivery of children's mental health services with services provided by social services, education, corrections, health, and vocational agencies to improve the availability of mental health services to children and the cost effectiveness of their delivery;

~~(3)~~ (4) assure that mental health services delivered according to sections 245.487 to 245.4887 are *delivered expeditiously and are* appropriate to the child's diagnostic assessment and individual treatment plan;

(4) (5) provide the community with information about predictors and symptoms of emotional disturbances and how to access children's mental health services according to sections 245.4877 and 245.4878;

~~(5)~~ (6) provide for case management services to each child with severe emotional disturbance according to sections 245.486; 245.4871, subdivisions 3 and 4; and 245.4881, subdivisions 1, 3, and 5;

~~(6)~~ (7) provide for screening of each child under section 245.4885 upon admission to a residential treatment facility, acute care hospital inpatient

treatment, or informal admission to a regional treatment center;

(7) (8) prudently administer grants and purchase-of-service contracts that the county board determines are necessary to fulfill its responsibilities under sections 245.487 to 245.4887;

(8) (9) assure that mental health professionals, mental health practitioners, and case managers employed by or under contract to the county to provide mental health services are qualified under section 245.4871; and

(9) (10) assure that children's mental health services are coordinated with adult mental health services specified in sections 245.461 to 245.486 so that a continuum of mental health services is available to serve persons with mental illness, regardless of the person's age.

Sec. 13. Minnesota Statutes 1989 Supplement, section 245.4875, subdivision 5, is amended to read:

Subd. 5. [LOCAL CHILDREN'S ADVISORY COUNCIL.] (a) By October 1, 1989, the county board, individually or in conjunction with other county boards, shall establish a local children's mental health advisory council or children's mental health subcommittee of the existing local mental health advisory council or shall include persons on its existing mental health advisory council who are representatives of children's mental health interests. The following individuals must serve on the local children's mental health advisory council, the children's mental health subcommittee of an existing local mental health advisory council, or be included on an existing mental health advisory council: (1) at least one person who was in a mental health program as a child or adolescent; (2) at least one parent of a child or adolescent with severe emotional disturbance; (3) one children's mental health professional; (4) representatives of minority populations of significant size residing in the county; (5) a representative of the children's mental health local coordinating council; and (6) one family community support services program representative.

(b) The local children's mental health advisory council or children's mental health subcommittee of an existing advisory council *shall seek input from parents, former consumers, providers, and others about the needs of children with emotional disturbance in the local area and services needed by families of these children, and shall meet at least quarterly monthly* to review, evaluate, and make recommendations regarding the local children's mental health system. Annually, the local children's mental health advisory council or children's mental health subcommittee of the existing local mental health advisory council shall:

(1) arrange for input from the local system of care providers regarding coordination of care between the services; and

(2) identify for the county board the individuals, providers, agencies, and associations as specified in section 245.4877, clause (2).

(c) The county board shall consider the advice of its local children's mental health advisory council or children's mental health subcommittee of the existing local mental health advisory council in carrying out its authorities and responsibilities."

Page 9, line 3, delete "but no later"

Page 9, line 4, delete "than" and insert "or" and after "intake" insert ", whichever occurs first"

Page 9, line 14, after "All" insert "*providers of*"

Page 9, lines 15 and 16, strike "family community support services."

Page 9, line 17, after the comma, insert "*and*"

Page 9, line 18, after "and" insert "*all*"

Page 9, line 24, after "*treatment*" insert "*, professional home-based family treatment.*"

Page 9, line 29, strike "that date" and insert "*intake*"

Page 9, line 32, after the period, insert "*Providers of day treatment services must develop the individual treatment plan before the completion of five working days in which service is provided or within 30 days after the diagnostic assessment is completed or obtained, whichever occurs first.*" and delete "*and day treatment*"

Page 9, line 33, delete "*services*"

Page 9, line 34, delete "*within 15*"

Page 9, delete line 35

Page 9, line 36, before "*provided*" insert "*obtained or by the end of the second session of an outpatient service, not including the session in which the diagnostic assessment was*"

Page 10, after line 2, insert:

"Sec. 16. Minnesota Statutes 1989 Supplement, section 245.4876, subdivision 4, is amended to read:

Subd. 4. [REFERRAL FOR CASE MANAGEMENT.] Each provider of emergency services, outpatient treatment, community support services, family community support services, day treatment services, screening under section 245.4885, professional home-based family treatment services, residential treatment facilities, acute care hospital inpatient treatment facilities, or regional treatment center services must inform each child with severe emotional disturbance, and the child's parent or legal representative, of the availability and potential benefits to the child of case management. The information shall be provided as specified in subdivision 5. If consent is obtained according to subdivision 5, the provider must refer the child by notifying the county employee designated by the county board to coordinate case management activities of the child's name and address and by informing the child's family of whom to contact to request case management. The provider must document compliance with this subdivision in the child's record. *The parent or child may directly request case management even if there has been no referral.*"

Page 10, line 11, after the period, insert "*The county board shall ensure that parents, providers, and county residents are informed about when and how to access emergency mental health services for children.*"

Page 12, after line 2, insert:

"(b) *The county board shall send a notification written in plain language of potential eligibility for case management and family community support services. The notification shall identify the designated case management providers and shall contain:*

(1) a brief description of case management and family community support services;

(2) the potential benefits of these services;

(3) the identity and current phone number of the county employee designated to coordinate case management activities;

(4) an explanation of how to obtain county assistance in obtaining a diagnostic assessment, if needed; and

(5) an explanation of the appeal process.”

Page 12, strike line 3

Page 12, line 4, strike everything before “The county”

Page 12, line 7, delete “(b)” and insert “(c)” and after “must” insert “promptly”

Page 12, line 9, after “section” insert “245.471 or”

Page 12, line 14, before “determination” insert “eligibility”

Page 12, line 15, after “services” insert “and if the child and the child's family consent to the services”

Page 12, line 18, after “board” insert “shall notify the child of the appeal process and”

Page 14, line 21, after “Services” insert “must be appropriate to the child's age and treatment needs and”

Page 16, line 12, before “use” insert “need for and”

Page 16, line 23, delete “family and community support” and insert “support for residing in the community”

Page 16, line 27, delete “school's” and insert “child's”

Page 18, delete line 6 and insert “The treatment team must develop an individual treatment plan that identifies the”

Page 18, line 22, strike “ensure that” and insert “, upon admission, screen” and strike “are screened upon admission” and insert “admitted”

Page 19, line 3, delete “assures” and insert “shall assure that the child, child's family, or child's legal representative, as appropriate, have been informed of the child's eligibility for case management services and”

Page 19, after line 17, insert:

“Sec. 26. Minnesota Statutes 1989 Supplement, section 245.4885, subdivision 2, is amended to read:

Subd. 2. [QUALIFICATIONS.] No later than January 1, ~~1992~~ 1991, screening of children for residential and inpatient services must be conducted by a mental health professional. Mental health professionals providing screening for inpatient and residential services must not be financially affiliated with any acute care inpatient hospital, residential treatment facility, or regional treatment center. The commissioner may waive this requirement for mental health professional participation in sparsely populated areas after January 1, 1991, if the county documents that:

(1) mental health professionals or mental health practitioners are unavailable to provide this service; and

(2) services are provided by a designated person with training in human services who receives clinical supervision from a mental health professional."

Page 21, after line 2, insert:

"Sec. 28. Minnesota Statutes 1989 Supplement, section 245.697, subdivision 2a, is amended to read:

Subd. 2a. [SUBCOMMITTEE ON CHILDREN'S MENTAL HEALTH.] The state advisory council on mental health (the "advisory council") must have a subcommittee on children's mental health. The subcommittee must make recommendations to the advisory council on policies, laws, regulations, and services relating to children's mental health. Members of the subcommittee must include:

(1) the commissioners or designees of the commissioners of the departments of human services, health, education, state planning, *finance*, and corrections;

(2) the commissioner of commerce or a designee of the commissioner who is knowledgeable about medical insurance issues;

(3) at least one representative of an advocacy group for children with emotional disturbances;

(4) providers of children's mental health services, including at least one provider of services to preadolescent children, one provider of services to adolescents, and one hospital-based provider;

(5) parents of children who have emotional disturbances;

(6) a present or former consumer of adolescent mental health services;

(7) educators currently working with emotionally disturbed children;

(8) people knowledgeable about the needs of emotionally disturbed children of minority races and cultures;

(9) people experienced in working with emotionally disturbed children who have committed status offenses;

(10) members of the advisory council;

(11) one person from the local corrections department and one representative of the Minnesota district judges association juvenile committee; and

(12) county commissioners and social services agency representatives.

The chair of the advisory council shall appoint subcommittee members described in clauses (3) to (11) through the process established in section 15.0597. The chair shall appoint members to ensure a geographical balance on the subcommittee. Terms, compensation, removal, and filling of vacancies are governed by subdivision 1, except that terms of subcommittee members who are also members of the advisory council are coterminous with their terms on the advisory council. The subcommittee shall meet at the call of the subcommittee chair who is elected by the subcommittee from among its members. The subcommittee expires with the expiration of the advisory council.

Sec. 29. Minnesota Statutes 1989 Supplement, section 245.73, subdivision 2, is amended to read:

Subd. 2. [APPLICATION; CRITERIA.] County boards may submit an

application and budget for use of the money in the form specified by the commissioner. The commissioner shall make grants only to counties whose applications and budgets are approved by the commissioner for residential programs for ~~adult mentally ill persons~~ *adults with mental illness* to meet licensing requirements pursuant to sections 245A.01 to 245A.16. ~~Funds shall not be used to supplant or reduce local, state, or federal expenditure levels supporting existing resources unless the reduction in available money is the result of a state or federal decision not to refund an existing program.~~ State funds received by a county pursuant to this section shall be used only for direct service costs. Both direct service and other costs, including but not limited to renovation, construction or rent of buildings, purchase or lease of vehicles or equipment as required for licensure as a residential program for ~~adult mentally ill persons~~ *adults with mental illness* under sections 245A.01 to 245A.16, may be paid out of the matching funds required under subdivision 3. Neither the state funds nor the matching funds shall be used for room and board costs."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, after the semicolon, insert "245.487, subdivisions 2 and 5;"

Page 1, line 9, after the second semicolon, insert "245.4874; 245.4875, subdivision 5;"

Page 1, line 10, delete "and 3" and insert ", 3, and 4"

Page 1, line 12, delete the second "subdivision 1" and insert "subdivisions 1 and 2"

Page 1, line 13, after the semicolon, insert "245.697, subdivision 2a; 245.73, subdivision 2;"

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1686: A bill for an act relating to education; allowing area learning centers to provide programs on Saturdays; amending Minnesota Statutes 1988, section 129B.53, subdivision 3.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 126.12, subdivision 2, is amended to read:

Subd. 2. ~~Except for technical institutes, every Saturday shall be a school holiday, except that school may be held on a Saturday if necessary to meet the requirement in section 124.19 of making a good faith attempt to make up time lost on account of circumstances which were beyond the control of the school board. A school board may hold school on Saturdays. The school board shall determine the number of school days of each school year on or before April 1 of the calendar year in which such school year commences.~~

Delete the title and insert:

“A bill for an act relating to education; allowing school boards to hold school on Saturdays; amending Minnesota Statutes 1988, section 126.12, subdivision 2.”

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1895: A bill for an act relating to education; permitting special school district No. 1 to remodel the Aviation Training Center with federal funds.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Mr. Waldorf questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 2048: A bill for an act relating to education; clarifying legislative intent concerning corporal punishment; amending Minnesota Statutes 1989 Supplement, section 127.45.

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

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

S.F. No. 1886: A bill for an act relating to agriculture; providing for an agronomist grazing specialist in Minnesota extension; establishing the Minnesota forage task force; appropriating money.

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

Page 1, delete section 1

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon

Page 1, delete line 3

Page 1, line 4, delete the semicolon and insert a period

Page 1, delete line 5

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

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

S.F. No. 1718: A bill for an act relating to agriculture; appropriating money for farm and small business management programs at technical colleges.

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

Mrs. Lantry from the Committee on General Legislation and Public Gaming, to which was referred

S.F. No. 1870: A bill for an act relating to horse racing; increasing per diem rate for racing commissioners; requiring licenses for pari-mutuel clerks at county fairs; apportioning money for promotion of the breeding and racing industry; allowing administration of certain medications by designated persons; reducing state tax withholding on pari-mutuel winnings; amending Minnesota Statutes 1988, sections 240.02, subdivision 3; 240.09, subdivision 2; 240.18; 240.24, subdivision 2; and 290.92, subdivision 27.

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

Pages 2 and 3, delete section 3 and insert:

"Sec. 3. Minnesota Statutes 1988, section 240.13, subdivision 8, is amended to read:

Subd. 8. [PROHIBITED ACTS.] A licensee may not: (1) accept a bet from any person under the age of 18 years; ~~and a licensee may not~~ (2) accept a bet of less than \$2; or (3) accept a bet by telephone.

Sec. 4. Minnesota Statutes 1988, section 240.18, is amended to read:

240.18 [BREEDERS' FUND.]

(a) The commission shall establish a Minnesota breeders' fund with the money paid to it under section 240.15, subdivision 1. The commission, after paying the current costs of administering the fund, shall apportion the remaining net proceeds into categories corresponding with the various breeds of horses which are racing at licensed Minnesota racetracks in proportion to each category's contribution to the fund and distribute the available net proceeds in each category as ~~follows~~ in accordance with paragraphs (b) to (e).

(+) (b) With respect to available money apportioned in the thoroughbred and quarterhorse categories, 20 percent must be expended as grants for equine research and related education at public institutions of post-secondary learning within the state in the form of grants, contracts, or expenditures for: (1) equine research and related education; (2) substance abuse programs for licensed personnel at racetracks in this state; and (3) promotion and public information regarding industry and commission activities; racehorse breeding, ownership, and management; and development and expansion of economic benefits from racing.

(-) (c) After deducting the amount for paragraph (+) (b), the balance of the available proceeds in each category may be expended by the commission to:

(+) (1) supplement purses for races held exclusively for Minnesota-bred or Minnesota-foaled horses, and supplement purses for Minnesota-bred or Minnesota-foaled horses racing in nonrestricted races in that category;

(b) (2) pay breeders' or owners' awards to the breeders or owners of

Minnesota-bred horses in that category which win money at licensed race-tracks in the state; and

(e) (3) provide other financial incentives to encourage the horse breeding industry in Minnesota.

(3) (d) With respect to the available money apportioned in the standardbred category, 20 percent must be expended as follows:

(a) (1) one-half of that amount to supplement purses for standardbreds at non-pari-mutuel racetracks in the state;

(b) (2) one-fourth of that amount for the development of non-pari-mutuel standardbred tracks in the state; and

(c) (3) one-fourth of that amount as grants for equine research and related education at public institutions of post-secondary learning in the state.

(4) (e) After deducting the amount for paragraph (3) (d), the balance of the available proceeds in the standardbred category must be expended by the commission to:

(a) (1) supplement purses for races held exclusively for Minnesota-bred and Minnesota-foaled standardbreds;

(b) (2) pay breeders or owners awards to the breeders or owners of Minnesota-bred standardbreds which win money at licensed racetracks in the state; and

(c) (3) provide other financial incentives to encourage the horse breeding industry in Minnesota.

(f) The commission shall adopt rules governing the distribution of the fund. The commission may establish advisory committees to advise it on the distribution of money under this section, provided that the members of an advisory committee shall serve without compensation."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after "allowing" insert "supervision of"

Page 1, line 7, after the semicolon, insert "prohibiting acceptance of bets by telephone;"

Page 1, line 10, after the first semicolon, insert "240.13, subdivision 8;"

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

Mr. Dicklich from the Committee on Public Utilities and Energy, to which was re-referred

H.F. No. 951: A bill for an act relating to utilities; providing for the establishment of competitive electric utility rates for certain customers subject to effective competition; authorizing public utilities commission to require utility to initiate rate proceeding under limited circumstances; removing repealer of laws providing for establishment of flexible gas utility rates for certain customers subject to effective competition; amending Minnesota Statutes 1988, sections 216B.045, subdivision 5; and 216B.17, subdivision 6, and by adding a subdivision; Laws 1987, chapter 371, section

4; proposing coding for new law in Minnesota Statutes, chapter 216B; repealing Minnesota Statutes 1988, section 216B.17, subdivisions 2, 3, 4, and 5.

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

Page 2, after line 12, insert:

“Sec. 2. [216B.161] [AREA DEVELOPMENT RATE PLAN.]

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

(b) “Area development rate” means a rate schedule established by a utility that provides customers within an area development zone service under a base utility rate schedule, except that monthly demand charges may be reduced from the base rate as agreed upon by the utility and the customer consistent with this section.

(c) “Area development zone” means a contiguous or noncontiguous area designated by an authority or municipality for development or redevelopment and within which one of the following conditions exists:

(1) obsolete buildings not suitable for improvement or conversion or other identified hazards to the health, safety, and general well-being of the community;

(2) buildings in need of substantial rehabilitation or in substandard condition; or

(3) low values and damaged investments.

(d) “Authority” means a rural development financing authority established under sections 469.142 to 469.150; a housing and redevelopment authority established under sections 469.001 to 469.047; a port authority established under sections 469.048 to 469.068; an economic development authority established under sections 469.090 to 469.108; a redevelopment agency as defined in sections 469.152 to 469.165; a municipality that is administering a development district created under sections 469.124 to 469.134 or any special law; a municipality that undertakes a project under sections 469.152 to 469.165, except a town located outside the metropolitan area as defined in section 473.121, subdivision 2, or with a population of 5,000 persons or less; or a municipality that exercises the powers of a port authority under any general or special law.

(e) “Municipality” means a city, however organized, and, with respect to a project undertaken under sections 469.152 to 469.165, “municipality” has the meaning given in sections 469.152 to 469.165, and, with respect to a project undertaken under sections 469.142 to 469.151 or a county or multicounty project undertaken under sections 469.004 to 469.008, also includes any county.

Subd. 2. [PILOT RATE PLAN PROGRAM.] The commission shall order at least one public utility to establish a pilot program that offers an area development rate. The program must be designed to assist industrial revitalization projects located within the service area of the participating utility.

Subd. 3. [TERMS AND CONDITIONS OF THE RATE.] An area development rate offered under this section must:

(1) be offered for a period of more than two years but no more than five years;

(2) be offered as a supplement to other development incentives offered by the municipality in which the rate is available;

(3) be available only to new or expanding manufacturing or wholesale trade customers;

(4) be designed to recover at least the incremental cost of providing service to the participating customers;

(5) be offered in a fixed number of area development zones; and

(6) include a provision that the utility provide participating customers with an energy audit and inform those customers of all existing energy conservation programs available from the utility.

Subd. 4. [EVALUATION.] The commission shall evaluate the impact and effectiveness of the area development plan or plans established under this section. The evaluation must include analysis of information submitted by the utility regarding the plan. Within 60 days after the expiration of a plan, the commission shall determine whether the area development rates should be continued, modified, or eliminated. The commission shall submit its findings to the legislature by January 1, 1995."

Page 2, delete lines 17 to 22 and insert:

"(b) "Effective competition" means a market situation in which an electric utility serves a customer that:

(1) is located within the electric utility's assigned service area determined under section 216B.39; and

(2) has the ability to obtain its energy requirements from an energy supplier that is not regulated by the commission under section 216B.16."

Page 2, delete lines 32 and 33 and insert *"the commission shall approve a competitive rate schedule when:*

(1) the provision of service to a customer or a class of customers is subject to effective competition; and

(2) the schedule applies only to customers requiring electric service with a connected load of at least 2,000 kilowatts.

The commission may approve a competitive rate schedule that applies to customers subject to effective competition and requiring electric service with a connected load less than 2,000 kilowatts.

The commission shall make a final"

Page 3, line 2, after *"miscellaneous"* insert *"or general"*

Page 3, delete line 27 and insert *"customers in the same customer class;*

(6) that the rate does not compete with district heating or cooling provided by a district heating utility as defined by section 216B.166, subdivision 2, paragraph (c); and

(7) that the rate may not be offered to a customer in which the utility has a financial interest greater than 50 percent."

Page 4, line 19, before the semicolon, insert *" , unless the commission determines that waiver of one or more terms and conditions would be in*

the public interest"

Page 5, line 32, delete "1994" and insert "1995"

Page 5, after line 32, insert:

"Sec. 4. Minnesota Statutes 1988, section 216B.17, subdivision 3, is amended to read:

Subd. 3. The commission shall give the public utility and the complainant ten days notice of the time and place when and where the hearing will be held and ~~such~~ *the* matters to be considered and determined. Both the public utility and complainant ~~shall be~~ *are* entitled to be heard and to be represented by counsel. *A hearing under this section is not a contested case under chapter 14.*"

Page 5, line 35, delete "1a" and insert "5a"

Page 5, line 36, before the comma, insert "*and holding a hearing under this section*"

Page 6, line 3, after the comma, insert "*if the commission is unable to resolve the complaint with the utility,*" and delete "shall" and insert "may"

Page 6, delete lines 26 and 27

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 11, delete the second "subdivision" and insert "subdivisions 3,"

Page 1, line 14, delete everything after "216B" and insert a period

Page 1, delete line 15

Amend the report from the Committee on Public Utilities and Energy, adopted by the Senate April 25, 1989, as follows:

Delete the amendment to page 2, after line 12

Delete the amendment to page 2, line 20

Delete the amendment to page 3, line 27

Delete the amendment to page 5, line 32

Delete the amendment to page 6, line 3

Delete the amendment to page 6, line 26

Delete the amendment to page 6, line 27

In the amendment to page 6, after line 27, delete "1993" and insert "1995"

Amend the title amendment as follows:

In the amendment to page 1, line 2, after "of" insert "pilot"

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

Mr. Solon from the Committee on Commerce, to which was referred the following appointment as reported in the Journal for February 12, 1990:

**DEPARTMENT OF COMMERCE
COMMISSIONER**

Thomas Borman

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mrs. Lantry from the Committee on General Legislation and Public Gaming, to which were referred the following appointments as reported in the Journal for February 15, 1990:

MINNESOTA RACING COMMISSION

Carol Connolly
Marilyn A. Rose
Ralph Strangis

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mrs. Lantry from the Committee on General Legislation and Public Gaming, to which were referred the following appointments as reported in the Journal for February 12, 1990:

**DEPARTMENT OF GAMING
STATE LOTTERY DIVISION
DIRECTOR**

George Andersen

MINNESOTA RACING COMMISSION

Robert Zevnick

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

SECOND READING OF SENATE BILLS

S.F. Nos. 1917, 1943, 1680, 1906, 2043, 1783, 1717, 1820, 1691, 2130, 1922, 1682, 1806, 1947, 1752, 1698, 1238, 2110, 2153, 1686, 2048, 1886 and 1870 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. No. 951 was read the second time.

MOTIONS AND RESOLUTIONS

Mr. Marty moved that the name of Ms. Flynn be added as a co-author to S.F. No. 97. The motion prevailed.

Ms. Reichgott moved that the name of Ms. Peterson, D.C. be stricken as a co-author and the name of Ms. Flynn be added as a co-author to S.F. No. 422. The motion prevailed.

Mr. Pogemiller moved that the name of Ms. Piper be added as a co-author to S.F. No. 443. The motion prevailed.

Mr. Frank moved that the names of Messrs. Pogemiller and Dahl be added as co-authors to S.F. No. 1022. The motion prevailed.

Mr. Marty moved that the name of Ms. Flynn be added as a co-author to S.F. No. 1304. The motion prevailed.

Mr. Marty moved that the name of Ms. Flynn be added as a co-author to S.F. No. 1305. The motion prevailed.

Mr. Marty moved that the name of Ms. Flynn be added as a co-author to S.F. No. 1364. The motion prevailed.

Mr. Marty moved that the name of Ms. Flynn be added as a co-author to S.F. No. 1365. The motion prevailed.

Mr. Marty moved that the name of Ms. Flynn be added as a co-author to S.F. No. 1366. The motion prevailed.

Mr. Waldorf moved that the name of Mr. Davis be added as a co-author to S.F. No. 1419. The motion prevailed.

Mr. Marty moved that the name of Ms. Peterson, D.C. be stricken as a co-author and the name of Ms. Flynn be added as a co-author to S.F. No. 1633. The motion prevailed.

Mr. Merriam moved that the name of Mr. Pogemiller be added as a co-author to S.F. No. 1753. The motion prevailed.

Mr. Stumpf moved that the name of Mr. Pogemiller be added as a co-author to S.F. No. 1906. The motion prevailed.

Mr. Marty moved that the name of Mr. Pogemiller be added as a co-author to S.F. No. 1943. The motion prevailed.

Mr. Pogemiller moved that the name of Mr. Frank be added as a co-author to S.F. No. 1950. The motion prevailed.

Ms. Berglin moved that the name of Mr. Dicklich be added as a co-author to S.F. No. 1973. The motion prevailed.

Mr. Solon moved that the name of Mr. Frederickson, D.J. be added as a co-author to S.F. No. 2007. The motion prevailed.

Mr. Solon moved that the name of Mr. Marty be added as a co-author to S.F. No. 2008. The motion prevailed.

Ms. Berglin moved that the name of Ms. Piper be added as a co-author to S.F. No. 2023. The motion prevailed.

Mr. Bernhagen moved that the names of Messrs. Davis; Dahl; Frederickson, D.R. and Laidig be added as co-authors to S.F. No. 2127. The motion prevailed.

Mr. Purfeerst moved that the name of Mrs. McQuaid be added as a co-author to S.F. No. 2030. The motion prevailed.

Mr. Morse moved that the name of Mr. Marty be added as a co-author to S.F. No. 2038. The motion prevailed.

Mr. Cohen moved that the name of Ms. Piper be added as a co-author to S.F. No. 2091. The motion prevailed.

Mr. Marty moved that the name of Ms. Piper be added as a co-author to S.F. No. 2113. The motion prevailed.

Mr. Spear moved that the name of Ms. Piper be added as a co-author to S.F. No. 2133. The motion prevailed.

Mr. Frank moved that the name of Ms. Berglin be added as a co-author to S.F. No. 2154. The motion prevailed.

Ms. Berglin moved that the name of Ms. Piper be added as a co-author to S.F. No. 2157. The motion prevailed.

Mr. Brandl moved that the name of Mr. Dahl be added as a co-author to S.F. No. 2163. The motion prevailed.

Mr. Lessard moved that the name of Mr. Davis be added as a co-author to S.F. No. 2171. The motion prevailed.

Mr. Lessard moved that the name of Mr. Davis be added as a co-author to S.F. No. 2172. The motion prevailed.

Ms. Berglin moved that the name of Ms. Piper be added as a co-author to S.F. No. 2182. The motion prevailed.

Mr. Peterson, R.W. moved that the names of Messrs. Merriam and Pehler be added as co-authors to S.F. No. 2201. The motion prevailed.

Mr. Peterson, R.W. moved that the name of Mr. Pehler be added as a co-author to S.F. No. 2202. The motion prevailed.

Mr. Brandl moved that the name of Ms. Piper be added as a co-author to S.F. No. 2204. The motion prevailed.

Mr. DeCramer moved that the name of Mr. Knutson be added as a co-author to S.F. No. 2213. The motion prevailed.

Mr. Piepho moved that S.F. No. 1992 be withdrawn from the Committee on Judiciary and re-referred to the Committee on Health and Human Services. The motion prevailed.

Mr. Diessner introduced—

Senate Resolution No. 150: A Senate resolution congratulating Bill Smith, of the Cottage Grove Jaycees, for receiving the JCI Senatorship at the TOYM-Minnesota Jaycees state convention that was held in Bloomington, Minnesota, February 2-4, 1990.

Referred to the Committee on Rules and Administration.

Mr. Diessner introduced—

Senate Resolution No. 151: A Senate resolution congratulating Carrie Jones of Woodbury High School for winning the state girls' individual cross country skiing championship February 10, 1990.

Referred to the Committee on Rules and Administration.

Mr. Frederick introduced—

Senate Resolution No. 152: A Senate resolution designating the Square Dance as the official American Folk Dance of Minnesota.

Referred to the Committee on Rules and Administration.

CALENDAR

S.F. No. 1694: A bill for an act relating to marriage dissolution; regulating child support orders; amending Minnesota Statutes 1988, section 518.551, subdivision 5.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Purfeerst
Anderson	Decker	Knaak	Metzen	Ramstad
Beckman	DeCramer	Knutson	Moe, D.M.	Reichgott
Belanger	Dicklich	Kroening	Moe, R.D.	Renneke
Benson	Diessner	Laidig	Morse	Samuelson
Berg	Flynn	Langseth	Novak	Schmitz
Berglin	Frank	Lantry	Olson	Solon
Bernhagen	Frederick	Larson	Pariseau	Spear
Bertram	Frederickson, D.J.	Lessard	Pehler	Storm
Brandl	Frederickson, D.R.	Marty	Peterson, R.W.	Stumpf
Brataas	Freeman	McGowan	Piepho	Vickerman
Cohen	Hughes	McQuaid	Piper	Waldorf
Dahl	Johnson, D.E.	Mehrkens	Pogemiller	

So the bill passed and its title was agreed to.

S.F. No. 1696: A bill for an act relating to human services; including the commissioners of commerce and health in designing the demonstration project for uninsured low-income persons; clarifying eligibility and enrollee participation requirements for the demonstration project; amending Minnesota Statutes 1988, section 256B.73.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Merriam	Ramstad
Anderson	Davis	Johnson, D.J.	Metzen	Reichgott
Beckman	Decker	Knaak	Moe, D.M.	Renneke
Belanger	DeCramer	Kroening	Moe, R.D.	Samuelson
Benson	Dicklich	Laidig	Morse	Schmitz
Berg	Diessner	Langseth	Novak	Solon
Berglin	Flynn	Lantry	Olson	Spear
Bernhagen	Frank	Larson	Pariseau	Storm
Bertram	Frederick	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.J.	Marty	Peterson, R.W.	Vickerman
Brataas	Frederickson, D.R.	McGowan	Piper	Waldorf
Chmielewski	Freeman	McQuaid	Pogemiller	
Cohen	Hughes	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 1727: A bill for an act relating to education; repealing the requirement that the Minnesota state high school league conduct a two-class high school hockey championship; clarifying the status and effect of certain law; removing surplus language; amending Minnesota Statutes 1989 Supplement, section 129.121, subdivision 7.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 8, as follows:

Those who voted in the affirmative were:

Anderson	Dahl	Knutson	Metzen	Purfeerst
Beckman	Davis	Kroening	Moe, D.M.	Ramstad
Belanger	Decker	Laidig	Moe, R.D.	Reichgott
Benson	Diessner	Langseth	Morse	Renneke
Berg	Flynn	Lantry	Novak	Schmitz
Berglin	Frederick	Larson	Olson	Spear
Bernhagen	Frederickson, D.J.	Lessard	Pariseau	Storm
Bertram	Frederickson, D.R.	Marty	Pehler	Stumpf
Brandl	Freeman	McGowan	Peterson, R.W.	Waldorf
Brataas	Hughes	McQuaid	Piepho	
Chmielewski	Johnson, D.E.	Mehrkens	Piper	
Cohen	Knaak	Merriam	Pogemiller	

Those who voted in the negative were:

Adkins	Dicklich	Johnson, D.J.	Solon	Vickerman
DeCramer	Frank	Samuelson		

So the bill passed and its title was agreed to.

S.F. No. 1366: A bill for an act relating to human rights; making harassment in certain cases an unfair discriminatory practice; amending Minnesota Statutes 1988, section 363.03, by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Merriam	Purfeerst
Anderson	Davis	Johnson, D.J.	Metzen	Ramstad
Beckman	Decker	Knaak	Moe, D.M.	Reichgott
Belanger	DeCramer	Kroening	Moe, R.D.	Renneke
Benson	Dicklich	Laidig	Morse	Samuelson
Berg	Diessner	Langseth	Novak	Schmitz
Berglin	Flynn	Lantry	Olson	Solon
Bernhagen	Frank	Larson	Pariseau	Spear
Bertram	Frederick	Lessard	Pehler	Storm
Brandl	Frederickson, D.J.	Marty	Peterson, R.W.	Stumpf
Brataas	Frederickson, D.R.	McGowan	Piepho	Vickerman
Chmielewski	Freeman	McQuaid	Piper	Waldorf
Cohen	Hughes	Mehrkens	Pogemiller	

So the bill passed and its title was agreed to.

S.F. No. 1692: A bill for an act relating to public safety; conforming definition of "family or group family day care home" for purposes of fire code enforcement; abolishing nominal reimbursements for local fire chiefs; abolishing certain regulation of fire extinguishers now regulated under state

fire code; abolishing regulation regarding "no smoking" signs which are regulated by state fire code; abolishing regulations relating to fire alarm deactivation requests and notices; abolishing state licensing of, and certain regulation regarding, dry cleaning and dyeing establishments, which are also regulated by state fire code; abolishing certain state licensing and inspection regulations for theaters and halls, which are regulated by the state fire code; amending Minnesota Statutes 1988, section 299F011, subdivision 4a; repealing Minnesota Statutes 1988, sections 299F34; 299F36; 299F38; 299F453; 299F454; 299H.211; 299H.22 to 299H.28; and 299I.01 to 299I.24.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Mehrkens	Purfeerst
Anderson	Davis	Johnson, D.J.	Metzen	Ramstad
Beckman	Decker	Knaak	Moe, D.M.	Reichgott
Belanger	DeCramer	Knutson	Moe, R.D.	Renneke
Benson	Dicklich	Kroening	Morse	Samuelson
Berg	Diessner	Laidig	Novak	Schmitz
Berglin	Flynn	Langseth	Olson	Solon
Bernhagen	Frank	Lantry	Pariseau	Spear
Bertram	Frederick	Larson	Pehler	Storm
Brandl	Frederickson, D.J.	Lessard	Peterson, R.W.	Stumpf
Brataas	Frederickson, D.R.	Marty	Piepho	Vickerman
Chmielewski	Freeman	McGowan	Piper	Waldorf
Cohen	Hughes	McQuaid	Pogemiller	

So the bill passed and its title was agreed to.

S.F No. 1730: A bill for an act relating to financial institutions; permitting interstate banking with an additional reciprocating state; amending Minnesota Statutes 1988, section 48.92, subdivision 7.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Mehrkens	Pogemiller
Anderson	Davis	Johnson, D.J.	Merriam	Purfeerst
Beckman	Decker	Knaak	Metzen	Ramstad
Belanger	DeCramer	Knutson	Moe, D.M.	Reichgott
Benson	Dicklich	Kroening	Moe, R.D.	Renneke
Berg	Diessner	Laidig	Morse	Samuelson
Berglin	Flynn	Langseth	Novak	Schmitz
Bernhagen	Frank	Lantry	Olson	Solon
Bertram	Frederick	Larson	Pariseau	Spear
Brandl	Frederickson, D.J.	Lessard	Pehler	Storm
Brataas	Frederickson, D.R.	Marty	Peterson, R.W.	Vickerman
Chmielewski	Freeman	McGowan	Piepho	Waldorf
Cohen	Hughes	McQuaid	Piper	

Mr. Stumpf voted in the negative.

So the bill passed and its title was agreed to.

S.F No. 1663: A bill for an act relating to Redwood and Lyon counties; abandoning judicial ditch number 37.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Mehrkens	Pogemiller
Anderson	Davis	Johnson, D.J.	Merriam	Purfeerst
Beckman	Decker	Knaak	Metzen	Ramstad
Belanger	DeCramer	Knutson	Moe, D.M.	Reichgott
Benson	Dicklich	Kroening	Moe, R.D.	Renneke
Berg	Diessner	Laidig	Morse	Samuelson
Berglin	Flynn	Langseth	Novak	Schmitz
Bernhagen	Frank	Lantry	Olson	Solon
Bertram	Frederick	Larson	Pariseau	Spear
Brandl	Frederickson, D.J.	Lessard	Pehler	Storm
Brataas	Frederickson, D.R.	Marty	Peterson, R. W.	Stumpf
Chmielewski	Freeman	McGowan	Piepho	Vickerman
Cohen	Hughes	McQuaid	Piper	Waldorf

So the bill passed and its title was agreed to.

S.F. No. 1778: A bill for an act relating to insurance; creating and regulating the life and health insurance guaranty association; prescribing its powers and duties; providing general supervisory duties to the commissioner of commerce; amending Minnesota Statutes 1988, section 60B.25; proposing coding for new law in Minnesota Statutes, chapter 61B; repealing Minnesota Statutes 1988, sections 61B.01; 61B.02; 61B.03, subdivisions 1 to 5 and 7 to 14; 61B.04; 61B.05; 61B.06; 61B.07; 61B.08; 61B.09; 61B.10; 61B.11; 61B.12; 61B.13; 61B.14; 61B.15; and 61B.16; and Minnesota Statutes 1989 Supplement, section 61B.03, subdivision 6.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Purfeerst
Anderson	Decker	Knaak	Metzen	Ramstad
Beckman	DeCramer	Knutson	Moe, D.M.	Reichgott
Belanger	Dicklich	Kroening	Moe, R.D.	Renneke
Benson	Diessner	Laidig	Morse	Samuelson
Berg	Flynn	Langseth	Novak	Schmitz
Berglin	Frank	Lantry	Olson	Solon
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Marty	Peterson, R. W.	Vickerman
Chmielewski	Freeman	McGowan	Piepho	Waldorf
Cohen	Hughes	McQuaid	Piper	
Dahl	Johnson, D.E.	Mehrkens	Pogemiller	

So the bill passed and its title was agreed to.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mrs. Lantry in the chair.

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

S.F. No. 1852, which the committee recommends to pass, subject to the

following motions:

Mr. McGowan moved to amend S.F. No. 1852 as follows:

Page 1, line 21, after the period, insert "*No more than four of the members appointed under this paragraph may belong to the same political party.*"

Page 2, lines 1, 5, and 10, after the period, insert "*No more than one of the members appointed under this paragraph may belong to the same political party.*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 21 and nays 33, as follows:

Those who voted in the affirmative were:

Anderson	Diessner	Knutson	Olson	Storm
Benson	Frederick	Larson	Pariseau	
Berg	Frederickson, D.R.	McGowan	Piepho	
Brataas	Johnson, D.E.	McQuaid	Ramstad	
Decker	Knaak	Mehrrens	Renneke	

Those who voted in the negative were:

Adkins	Davis	Johnson, D.J.	Morse	Schmitz
Beckman	DeCramer	Kroening	Novak	Spear
Berglin	Flynn	Langseth	Pehler	Stumpf
Bertram	Frank	Lantry	Peterson, R.W.	Vickerman
Brandl	Frederickson, D.J.	Marty	Piper	Waldorf
Cohen	Freeman	Merriam	Pogemiller	
Dahl	Hughes	Moe, D.M.	Reichgott	

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

Mr. Ramstad moved to amend S.F. No. 1852 as follows:

Page 1, line 20, delete "*three*" and insert "*two*"

The motion prevailed. So the amendment was adopted.

Mr. Frederickson, D.R. moved to amend S.F. No. 1852 as follows:

Page 3, line 3, after "*individuals*" insert "*, including women and minorities,*"

Page 3, line 4, delete "*with particular emphasis on women and minorities*"

The motion prevailed. So the amendment was adopted.

S.F. No. 443, which the committee recommends to pass with the following amendment offered by Mr. Knutson:

Page 2, after line 2, insert:

"(1) *the patient is not rendered unconscious;*"

Page 2, lines 12 and 16, delete "(3)" and insert "(4)"

Renumber the clauses in sequence

The motion prevailed. So the amendment was adopted.

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

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Ms. Berglin introduced—

S.F. No. 2214: A bill for an act relating to health; appropriating money to the commissioner of health to contract for family planning and birth control research.

Referred to the Committee on Health and Human Services.

Mr. Cohen and Ms. Berglin introduced—

S.F. No. 2215: A bill for an act proposing an amendment to the Minnesota Constitution, article I; creating a right of privacy.

Referred to the Committee on Judiciary.

Ms. Piper, Messrs. Ramstad, Knutson, Mrs. Lantry and Mr. Diessner introduced—

S.F. No. 2216: A bill for an act relating to occupations and professions; specifying requirements for membership of the board of medical examiners; containing procedural requirements for disciplinary actions; applying reporting requirements to other entities that provide professional liability coverage to physicians; amending Minnesota Statutes 1988, sections 147.01, subdivisions 1, 3, and 4; 147.09; 147.111, subdivision 5; repealing Minnesota Statutes 1988, sections 147.171; 147.24; 147.25; 147.26; 147.27; 147.28; 147.29; 147.30; 147.31; 147.32; 147.33; and Laws 1988, chapter 557, section 6.

Referred to the Committee on Health and Human Services.

Ms. Berglin introduced—

S.F. No. 2217: A bill for an act relating to human services; allowing for a continued level of reimbursement to a nursing home; amending Minnesota Statutes 1988, section 256B.431, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Mr. Stumpf introduced—

S.F. No. 2218: A bill for an act relating to retirement; Thief River Falls police relief association trust fund; requiring less-frequent actuarial surveys; amending Laws 1978, chapter 689, section 4, subdivision 2.

Referred to the Committee on Governmental Operations.

Mr. DeCramer and Mrs. Adkins introduced—

S.F. No. 2219: A bill for an act relating to towns; providing for state participation in sewer and water development; providing for the issuance of state bonds; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

Referred to the Committee on Economic Development and Housing.

Mr. Peterson, R.W. introduced—

S.F. No. 2220: A bill for an act relating to the Cambridge regional human services center; permitting the transfer of water and sewer facilities; appropriating money.

Referred to the Committee on Governmental Operations.

Mrs. Adkins introduced—

S.F. No. 2221: A bill for an act relating to education; approving a capital loan to the St. Michael-Albertville school district.

Referred to the Committee on Education.

Messrs. Moe, D.M. and Renneke introduced—

S.F. No. 2222: A bill for an act relating to the funding of teacher retirement fund associations in cities of the first class; increasing employee and employer contributions; providing state financial first class city teachers retirement fund association supplemental revenue; amending Minnesota Statutes 1988, sections 124A.22, by adding a subdivision; and 354A.12, subdivisions 1 and 2; Minnesota Statutes 1989 Supplement, section 124A.22, subdivision 1.

Referred to the Committee on Governmental Operations. Mr. Knaak questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Moe, D.M. and Cohen introduced—

S.F. No. 2223: A bill for an act relating to local government; reauthorizing Ramsey county and the city of St. Paul to issue general obligation bonds to finance the restoration of the concourse of the St. Paul union depot; repealing Minnesota Statutes 1988, section 383A.65, as amended.

Referred to the Committee on Local and Urban Government.

Mrs. Lantry, Mr. Benson, Ms. Berglin, Messrs. Knutson and Waldorf introduced—

S.F. No. 2224: A bill for an act relating to health; granting an exception to the nursing home moratorium; amending Minnesota Statutes 1989 Supplement, section 144A.071, subdivision 3.

Referred to the Committee on Health and Human Services.

Mr. Samuelson introduced—

S.F. No. 2225: A bill for an act relating to appropriations; authorizing sale of state bonds; appropriating money for the city of Garrison sewer system.

Referred to the Committee on Finance.

Mr. Samuelson, Ms. Piper and Mr. Kroening introduced—

S.F. No. 2226: A bill for an act relating to contracts; requiring bidders on state construction contracts and those financed by state funds to submit lists of subcontractors and prohibiting subcontracts with persons not listed;

providing penalties; amending Minnesota Statutes 1988, sections 16B.07, by adding a subdivision; and 161.32, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Mr. Samuelson introduced—

S.F. No. 2227: A bill for an act relating to taxation; reducing the lawful gambling combined receipts tax; providing for refunds; appropriating money; amending Minnesota Statutes Second 1989 Supplement, section 349.212, subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

Mr. Lessard introduced—

S.F. No. 2228: A bill for an act relating to waste; exempting publicly owned or operated mixed municipal solid waste disposal facilities from certain financial responsibility rules; amending Minnesota Statutes 1988, section 116.07, subdivision 4h.

Referred to the Committee on Environment and Natural Resources.

Messrs. Hughes; Pogemiller; Johnson, D.E. and Laidig introduced—

S.F. No. 2229: A bill for an act relating to elections; clarifying language and changing procedures for voter registration, absentee voters, and polling place rosters; defining certain terms; changing certain time limits; amending Minnesota Statutes 1988, sections 200.02, by adding a subdivision; 201.022; 201.023; 201.054, subdivision 1; 201.061, subdivision 1; 201.071, subdivisions 3 and 4; 201.081; 201.091; 201.12, subdivision 2; 201.121, subdivisions 1 and 2; 201.171; 201.211; 201.221; 201.27, subdivision 1; 203B.09; 203B.12, subdivisions 2 and 3; 204B.28, subdivision 2; 204B.45, subdivision 2; 204C.10; 204C.12, subdivision 4; and 204C.27; Minnesota Statutes 1989 Supplement, section 203B.13, subdivision 3a; proposing coding for new law in Minnesota Statutes, chapter 201; and repealing Minnesota Statutes 1988, sections 201.061, subdivision 2; 201.071, subdivisions 5 and 6; and 201.091, subdivision 3.

Referred to the Committee on Elections and Ethics.

Messrs. Berg, Lessard and Frederickson, D.R. introduced—

S.F. No. 2230: A bill for an act relating to game and fish; private shooting preserves; license requirement; pheasant release; license fee; amending Minnesota Statutes 1988, section 97A.121, subdivisions 1 and 4a; Minnesota Statutes 1989 Supplement, section 97A.475, subdivision 18.

Referred to the Committee on Environment and Natural Resources.

Messrs. Novak, Stumpf, DeCramer, Morse and Laidig introduced—

S.F. No. 2231: A bill for an act relating to natural resources; increasing the watershed administrative fund limit; establishing a natural resource protection fund; amending Minnesota Statutes 1988, section 112.61, by adding a subdivision; Minnesota Statutes 1989 Supplement, section 112.61, subdivision 3.

Referred to the Committee on Environment and Natural Resources.

Mr. Pehler introduced—

S.F. No. 2232: 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.

Referred to the Committee on Commerce.

Mr. Pehler introduced—

S.F. No. 2233: A bill for an act relating to state government; increasing the time limit for rental of state property; authorizing payment to tenants for capital improvements under certain circumstances; amending Minnesota Statutes 1988, section 16B.24, subdivision 5.

Referred to the Committee on Governmental Operations.

Ms. Reichgott introduced—

S.F. No. 2234: A bill for an act relating to real property; providing that certain pre-1984 contract for deed interests may be recorded if the auditor certifies there were no taxes delinquent when the contract was executed; amending Minnesota Statutes 1988, section 272.12.

Referred to the Committee on Taxes and Tax Laws.

Mr. Knaak introduced—

S.F. No. 2235: A bill for an act relating to marriage dissolution; regulating child support; amending Minnesota Statutes 1988, section 518.551, subdivision 5.

Referred to the Committee on Health and Human Services.

Mr. Dahl introduced—

S.F. No. 2236: A bill for an act relating to the environment; changing the requirements for management plans; directing the commissioner of health to refund fees; amending Minnesota Statutes 1989 Supplement, sections 116.76, subdivision 8, and by adding a subdivision; 116.77; and 116.79, subdivisions 1 and 3.

Referred to the Committee on Environment and Natural Resources.

Messrs. Freeman and McGowan introduced—

S.F. No. 2237: A bill for an act relating to crimes; making preparation of a written presentence investigation report discretionary with the court when a defendant is convicted of a felony for which the court must impose an executed sentence under the sentencing guidelines; amending Minnesota Statutes 1989 Supplement, section 609.115, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Chmielewski introduced—

S.F. No. 2238: A bill for an act relating to the Moose Lake area fire protection district; clarifying the status of certain volunteer firefighter relief associations.

Referred to the Committee on Governmental Operations.

Mr. Berg introduced—

S.F. No. 2239: A bill for an act relating to finance; amending provisions of the family farm security act; repealing certain provisions of the family farm security act; transferring authority over the family farm security act to the commissioner of administration; amending default procedures; deleting provisions to review payment adjustments; reducing the bond authority of the rural finance authority; amending Minnesota Statutes 1988, sections 41.52, subdivision 4; 41.53, by adding subdivisions; 41.56, subdivision 3; 41.57, subdivision 2; 41.59; 41.65; and 41B.19, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 41; repealing Minnesota Statutes 1988, sections 41.54; 41.55; 41.56, subdivisions 1, 2, and 4a; and 41.57, subdivision 4.

Referred to the Committee on Agriculture and Rural Development.

Mr. Morse introduced—

S.F. No. 2240: A bill for an act relating to the organization and operation of state government; regulating the insurance and pension benefits of certain judges; amending Minnesota Statutes 1988, sections 43A.27, subdivision 4; 490.124, subdivisions 1 and 3; and 490.129; repealing Minnesota Statutes 1988, section 490.129.

Referred to the Committee on Governmental Operations.

Messrs. Solon, Cohen, Metzen, Purfeerst and Belanger introduced—

S.F. No. 2241: A bill for an act relating to commerce; regulating dividends on claims in liquidation proceedings; industrial loan and thrift companies; regulating lending practices; regulating the lending practices of regulated lenders; specifying the loan fees and charges that may be imposed by regulated lenders; amending Minnesota Statutes 1988, sections 49.24, subdivision 9; 53.04, subdivision 3a; 56.12; 56.131, subdivisions 1, 2, and 6; and 56.14; and Minnesota Statutes 1989 Supplement, section 56.155, subdivision 2.

Referred to the Committee on Commerce.

Messrs. Mehrkens; Langseth; Frederickson, D.R.; Bernhagen and Anderson introduced—

S.F. No. 2242: A bill for an act relating to education; providing equity in revenue for all school districts; proposing coding for new law in Minnesota Statutes, chapter 124A.

Referred to the Committee on Education.

Messrs. Pehler, Beckman and Peterson, R.W. introduced—

S.F. No. 2243: A bill for an act relating to education; prohibiting state aid for people who have a high school diploma or the equivalent; amending Minnesota Statutes 1988, sections 120.06, subdivisions 1 and 3; and 123.35, subdivisions 8a, 8b, and 8c; Minnesota Statutes 1989 Supplement, section 126.22, subdivision 2.

Referred to the Committee on Education.

Mr. Brandl introduced—

S.F. No. 2244: A bill for an act relating to health; establishing restrictions on abortion; requiring informed consent to an abortion; prohibiting certain abortions; proposing coding for new law in Minnesota Statutes, chapter 145.

Referred to the Committee on Health and Human Services.

Messrs. Brandl; Frank; Cohen; Moe, R.D. and Bernhagen introduced—

S.F. No. 2245: A bill for an act relating to economic development; providing a preference for specific economic development projects; requiring certain businesses to have alternative use committees; amending Minnesota Statutes 1988, sections 116J.873, by adding a subdivision; and 116N.08, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 116O.06, subdivision 5; and 268.977, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 268.

Referred to the Committee on Economic Development and Housing.

Messrs. Kroening; Moe, R.D.; Morse; Johnson, D.J. and Larson introduced—

S.F. No. 2246: A bill for an act relating to public employment; expanding coverage of the public employees insurance plan; establishing classes of premiums; amending Minnesota Statutes 1988, section 43A.316, subdivision 8.

Referred to the Committee on Governmental Operations.

Mr. Cohen introduced—

S.F. No. 2247: A bill for an act relating to human services; establishing a case mix rate and assessment process for provider with an addendum to a provider agreement; amending Minnesota Statutes 1988, section 256B.48, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Messrs. Hughes; Moe, R.D.; Pehler; Mrs. Brataas and Mr. Waldorf introduced—

S.F. No. 2248: A bill for an act relating to education; entering the Midwestern Higher Education Compact; providing the appointment of members; proposing coding for new law in Minnesota Statutes, chapter 135A.

Referred to the Committee on Education.

Messrs. Larson, Decker and Anderson introduced—

S.F. No. 2249: A bill for an act relating to game and fish; authorizing resident fishing licenses for certain nonresident property owners; proposing coding for new law in Minnesota Statutes, chapter 97A.

Referred to the Committee on Environment and Natural Resources.

Messrs. Morse; Moe, D.M.; Peterson, R.W.; Vickerman and Benson introduced—

S.F. No. 2250: A bill for an act relating to courts; repealing the law allowing the court administrator to appeal the salary set by the county board to the district court; amending Minnesota Statutes 1988, section 487.13; repealing Minnesota Statutes 1988, section 485.018, subdivision 7.

Referred to the Committee on Governmental Operations.

Ms. Berglin introduced—

S.F. No. 2251: A bill for an act relating to human services; repealing laws establishing a rental system for reimbursing nursing home property costs; establishing interim property rates; requiring the commissioner to recommend a new reimbursement system for nursing home property costs; amending Minnesota Statutes 1988, section 256B.431, by adding a subdivision; repealing Minnesota Statutes 1988, sections 256B.43, subdivisions 3, 3b, 3c, and 3d; and 256B.50, subdivision 2; Minnesota Statutes 1989 Supplement, section 256B.431, subdivisions 3a, 3f, and 3g.

Referred to the Committee on Health and Human Services.

Messrs. Belanger, Waldorf, Kroening, Knaak and Schmitz introduced—

S.F. No. 2252: A bill for an act relating to state government; regulating administrative procedures; including a statement of purpose; requiring agencies to send the LCRAR copies of statements of need and reasonableness; requiring an agency to provide notice of the hearing to those who requested it; making various technical changes; amending Minnesota Statutes 1988, sections 14.03; 14.131; 14.23; and 14.25; Minnesota Statutes 1989 Supplement, section 14.02, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 14.

Referred to the Committee on Governmental Operations.

Messrs. Piepho, Metzen, Benson, Mrs. Pariseau and Mr. Purfeerst introduced—

S.F. No. 2253: A bill for an act relating to consumer protection; requiring an itemized statement for certain automobile purchase price refunds; amending Minnesota Statutes 1988, sections 325F.662, subdivision 8; and 325F.665, subdivisions 3 and 6.

Referred to the Committee on Commerce.

Messrs. Hughes, Stumpf, Pehler, Larson and Ms. Reichgott introduced—

S.F. No. 2254: A bill for an act relating to education; changing education district laws; allowing education districts to certify revenue for general education, community education, and early childhood family education; restricting member district withdrawal; delaying common calendar requirements; allowing some school districts to change ECSU membership; changing the education district levy; changing a cooperation and combination levy; amending Minnesota Statutes 1988, sections 122.91, by adding a

subdivision; 122.93, by adding a subdivision; 122.94, subdivision 5; 123.58, subdivision 2; 124.195, subdivision 10; 124.26, by adding a subdivision; 124.2711, subdivision 2; and 124A.02, subdivision 1; Minnesota Statutes 1989 Supplement, sections 122.91, subdivisions 3 and 5; 122.94, subdivision 6; 122.945, subdivision 2; 124.155, subdivision 2; 124.26, subdivisions 7 and 8; 124.2711, subdivisions 1 and 3; 124.2713; 124.2715; 124.2721; 124.2725, subdivision 8; and 275.125, subdivision 8b; proposing coding for new law in Minnesota Statutes, chapter 122; proposing coding for new law as Minnesota Statutes, chapter 124B.

Referred to the Committee on Education.

Messrs. Dahl; Luther; Moe, R.D. and Renneke introduced—

S.F. No. 2255: A bill for an act relating to human resources; providing for the creation of a legislative human resources commission; providing for its powers and duties; raising revenue; amending Minnesota Statutes 1988, section 297.02, subdivision 1; and Minnesota Statutes 1989 Supplement, section 297.13, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 3C.

Referred to the Committee on Health and Human Services.

Mr. Bertram introduced—

S.F. No. 2256: A bill for an act relating to public contracts; requiring preference for resident bidders against nonresident bidders from other countries in certain circumstances; defining resident bidder; denying the privilege of transacting business with the department of transportation or local road authorities to persons who have committed contract offenses; defining contract offenses; amending Minnesota Statutes 1988, section 16B.102, subdivisions 1 and 2; and 161.315, subdivisions 1 and 2.

Referred to the Committee on Governmental Operations.

Messrs. Bertram, Lessard and Diessner introduced—

S.F. No. 2257: A bill for an act relating to veterans; requiring post-secondary institutions to let veterans apply for college credit for activities and experience in military service in certain cases; proposing coding for new law in Minnesota Statutes, chapter 135A.

Referred to the Committee on Veterans and Military Affairs.

Ms. Flynn introduced—

S.F. No. 2258: A bill for an act relating to insurance; health and accident; allowing certain employers to enroll in the state comprehensive health insurance plan; proposing coding for new law in Minnesota Statutes, chapter 62E.

Referred to the Committee on Commerce.

Messrs. Knaak, Anderson, Larson and Storm introduced—

S.F. No. 2259: A bill for an act relating to local government; limiting certain payments to elected officials; proposing coding for new law in Minnesota Statutes, chapter 471.

Referred to the Committee on Local and Urban Government.

Mr. Merriam and Mrs. Lantry introduced—

S.F. No. 2260: A bill for an act relating to employment; establishing a state certification program for professional firefighters; proposing coding for new law in Minnesota Statutes, chapter 299F

Referred to the Committee on Governmental Operations.

Messrs. Solon; Dicklich; Johnson, D.J.; Kroening and Gustafson introduced—

S.F. No. 2261: A bill for an act relating to consumer protection; regulating automatic garage door systems in residential buildings; providing standards; prescribing a penalty; amending Minnesota Statutes 1989 Supplement, section 16B.61, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 325F

Referred to the Committee on Commerce.

Messrs. Schmitz, Dicklich and Johnson, D.J. introduced—

S.F. No. 2262: 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.

Referred to the Committee on Judiciary.

Messrs. Schmitz, Dicklich and Johnson, D.J. introduced—

S.F. No. 2263: 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.

Referred to the Committee on Judiciary.

Ms. Flynn, Messrs. Solon, Purfeerst and Anderson introduced—

S.F. No. 2264: A bill for an act relating to insurance; no-fault auto; exempting certain antique automobiles and recreational vehicles from rental vehicle coverage; amending Minnesota Statutes 1989 Supplement, section 65A.49, subdivision 5a.

Referred to the Committee on Commerce.

Messrs. Pehler; Luther; Peterson, R.W. and Morse introduced—

S.F. No. 2265: A bill for an act relating to education; equalizing the special education levy; providing for special education levy equalization aid; proposing coding for new law in Minnesota Statutes, chapter 124; repealing Minnesota Statutes 1988, section 275.125, subdivision 8c.

Referred to the Committee on Education.

Messrs. Benson, Decker, Mmes. McQuaid, Pariseau and Mr. McGowan introduced—

S.F. No. 2266: A bill for an act relating to finance; requiring the commissioner of finance to prepare quarterly revenue and spending forecasts;

amending Minnesota Statutes 1988, section 16A.06, by adding a subdivision.

Referred to the Committee on Finance.

Messrs. Cohen, McGowan, Ms. Reichgott and Mr. Ramstad introduced—

S.F. No. 2267: A bill for an act relating to law enforcement; barring traffic citation quotas; proposing coding for new law in Minnesota Statutes, chapter 169.

Referred to the Committee on Transportation.

Mr. Kroening, Mrs. Lantry and Mr. Johnson, D.J. introduced—

S.F. No. 2268: A bill for an act relating to the environment; placing restrictions on use of water for once-through cooling systems; changing water use processing fees for once-through cooling systems; providing for prevailing wage rates for conversion work; authorizing a tax credit; authorizing the sale of state bonds; appropriating money; amending Minnesota Statutes 1988, sections 105.41, by adding a subdivision; and 290.06, by adding a subdivision; Minnesota Statutes 1989 Supplement, section 105.41, subdivisions 1c and 5a.

Referred to the Committee on Environment and Natural Resources.

Mr. Chmielewski introduced—

S.F. No. 2269: A bill for an act relating to taxation; income; allowing the school tuition subtraction to nonitemizers; amending Minnesota Statutes 1988, section 290.01, subdivision 19b.

Referred to the Committee on Taxes and Tax Laws.

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

S.F. No. 2270: A bill for an act relating to solid waste management; permitting certain fees; granting authority to St. Louis county; amending Minnesota Statutes 1988, section 400.08, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 383C.

Referred to the Committee on Environment and Natural Resources.

Mr. Lessard introduced—

S.F. No. 2271: A bill for an act relating to taxation; providing that county levies to pay the cost of ambulance service within a subordinate service district are exempt from levy limits; amending Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5.

Referred to the Committee on Taxes and Tax Laws.

Mr. Lessard introduced—

S.F. No. 2272: A bill for an act relating to taxation; providing a property tax credit for wetlands; appropriating money; amending Minnesota Statutes 1988, section 290A.03, subdivision 13; Minnesota Statutes 1989 Supplement, sections 124.155, subdivision 2; 273.1393; and Minnesota Statutes Second 1989 Supplement, sections 273.1392; 275.51, subdivision 3i; and

290A.04, subdivision 2h; proposing coding for new law in Minnesota Statutes, chapter 273.

Referred to the Committee on Taxes and Tax Laws.

Mr. Knaak, Ms. Reichgott, Messrs. Mehrkens, Frank and Piepho introduced—

S.F. No. 2273: A bill for an act relating to education; permitting all school districts to form and join intermediate districts; proposing coding for new law in Minnesota Statutes, chapter 136D.

Referred to the Committee on Education.

Mr. Dicklich introduced—

S.F. No. 2274: A bill for an act relating to occupations and professions; requiring crane operators to be licensed by the state; authorizing rulemaking; establishing a crane operators examining board; providing penalties; amending Minnesota Statutes 1988, section 214.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 326.

Referred to the Committee on Employment.

Mr. Solon introduced—

S.F. No. 2275: A bill for an act relating to taxation; income; modifying the subtraction for the elderly for federal retirees; amending Minnesota Statutes 1989 Supplement, section 290.0802, subdivision 2; Minnesota Statutes Second 1989 Supplement, section 290.0802, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Stumpf and Moe, R.D. introduced—

S.F. No. 2276: A bill for an act relating to education; appropriating money for telecommunications grants to certain school districts.

Referred to the Committee on Education.

Mrs. Lantry introduced—

S.F. No. 2277: A bill for an act relating to human services; creating a new chapter establishing a unified process for the handling of civil, criminal, and financial recovery matters in all human service programs; amending Minnesota Statutes 1988, sections 256.73, subdivision 6; and 393.07, subdivision 10; proposing coding for new law as Minnesota Statutes, chapter 256J; repealing Minnesota Statutes 1988, sections 256.98; 256.981; 256.982; and 256D.14.

Referred to the Committee on Health and Human Services.

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

S.F. No. 2278: A bill for an act relating to taxation; extending the duration of enterprise zones; amending Minnesota Statutes Second 1989 Supplement, section 469.167, subdivision 2.

Referred to the Committee on Economic Development and Housing.

Messrs. Diessner, Chmielewski and Ms. Piper introduced—

S.F. No. 2279: A bill for an act relating to insurance; prohibiting provider discrimination for pharmacy services; amending Minnesota Statutes 1988, section 62D.30, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 62A.

Referred to the Committee on Commerce.

Mrs. Lantry introduced—

S.F. No. 2280: A bill for an act relating to retirement; authorizing the public employees retirement association and local relief association to direct their actuaries to prepare actuarial calculations necessary to complete consolidation and to limit the additional municipal contribution amount; providing a six-month window in which police and fire members of local relief association that consolidated with the public employees retirement association may elect benefit coverage under either benefit plan; amending Minnesota Statutes 1988, sections 353A.02, subdivision 2; 353A.05, subdivisions 1 and 3; 353A.07, subdivision 5; 353A.09, subdivisions 5 and 7.

Referred to the Committee on Governmental Operations.

Mr. Frank introduced—

S.F. No. 2281: A bill for an act relating to port authorities; allowing a port authority to use foreign trade zone powers, if granted, outside its port district; amending Minnesota Statutes 1988, section 469.059, subdivision 14.

Referred to the Committee on Economic Development and Housing.

Mr. Frank introduced—

S.F. No. 2282: A bill for an act relating to contracts; providing for enforcement of certain contracts; proposing coding for new law as Minnesota Statutes, chapter 338.

Referred to the Committee on Employment.

Messrs. Storm and Belanger introduced—

S.F. No. 2283: A bill for an act relating to health; granting an exception to the nursing home moratorium for an existing freestanding hospice; amending Minnesota Statutes 1989 Supplement, section 144A.071, subdivision 3.

Referred to the Committee on Health and Human Services.

Mr. Davis introduced—

S.F. No. 2284: A bill for an act relating to recreational vehicles; regulating registration and operation of off-road motorcycles; setting fees and penalties; requiring reports to the legislature; appropriating money; amending Minnesota Statutes 1988, sections 84.91; 84.911; and 85.018, subdivisions 2, 3, and 5; Minnesota Statutes 1989 Supplement, sections 171.03; and 466.03, subdivision 16; proposing coding for new law in Minnesota Statutes, chapter 84.

Referred to the Committee on Environment and Natural Resources.

Mr. Davis introduced—

S.F. No. 2285: A bill for an act relating to retirement; legislators' retirement plan; removing per diem payments from the definition of salary; restoring a 20-year cap service accrual and contributions; increasing the penalty for early retirement; eliminating the five percent augmentation rate for deferred annuities after age 55; providing for refunds of contributions and payments in lieu of contributions; amending Minnesota Statutes 1989 Supplement, sections 3A.01, subdivisions 6a and 7; 3A.02, subdivisions 1, 1b, and 4; repealing Minnesota Statutes 1989 Supplement, section 3A.031; and Laws 1989, chapter 319, article 16, section 7.

Referred to the Committee on Governmental Operations.

Messrs. Johnson, D.J.; Samuelson; Ms. Berglin and Mr. Knutson introduced—

S.F. No. 2286: A bill for an act relating to health care; increasing the membership of the health care access commission; amending Minnesota Statutes 1989 Supplement, section 62J.02, subdivision 1.

Referred to the Committee on Health and Human Services.

Mr. Cohen introduced—

S.F. No. 2287: A bill for an act relating to crime; imposing felony penalties for discharging toxic chemicals into the air or water; imposing gross misdemeanor penalties for the illegal disposal of solid waste; imposing felony penalties for tampering with pollution monitoring devices; authorizing environmental cleanup as restitution for environmental crimes; amending Minnesota Statutes 1988, section 609.671, subdivisions 1, 2, 8, and 9, and by adding subdivisions.

Referred to the Committee on Environment and Natural Resources.

Mr. Merriam introduced—

S.F. No. 2288: A bill for an act relating to Hennepin county; retirement plans; establishing the Hennepin county professional prehospital emergency services retirement plan; proposing coding for new law as Minnesota Statutes, chapter 353E.

Referred to the Committee on Governmental Operations.

Mr. Merriam introduced—

S.F. No. 2289: A bill for an act relating to government operations; amending provisions to adopt emergency game and fish rules; providing alternative methods of publishing game and fish rules; deleting obsolete references to publication under the game and fish laws; authorizing the commissioner to protect wild animals by emergency rule; authorizing the commissioner to set seasons and limits for migratory birds and waterfowl; authorizing the commissioner to allow or prohibit hunting and fishing on certain state lands; amending Minnesota Statutes 1988, sections 14.29, subdivision 3, and by adding a subdivision; 14.38, subdivision 6; 84.944, subdivision 1; 84A.02; 86A.06; 97A.045, subdivision 2; 97A.051, subdivisions 1 and 2; 97A.081; 97A.141, by adding a subdivision; 97B.731, subdivision 1; 97C.805, subdivision 1; and 361.25; Minnesota Statutes 1989 Supplement, sections

3.846, subdivisions 1 and 4; 14.02, subdivision 4; and 97A.051, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 97A and 97B.

Referred to the Committee on Environment and Natural Resources.

Ms. Reichgott, Messrs. Marty, Purfeerst and Storm introduced—

S.F. No. 2290: A bill for an act relating to drivers' licenses; providing for living will designation on driver's license; amending Minnesota Statutes 1988, section 171.07, by adding a subdivision; Minnesota Statutes 1989 Supplement, section 171.06, subdivision 3.

Referred to the Committee on Transportation.

Mrs. Brataas and Mr. Benson introduced—

S.F. No. 2291: A bill for an act relating to liquor; authorizing limited sales between off-sale licensees; specifying restrictions; amending Minnesota Statutes 1988, sections 340A.415 and 340A.505.

Referred to the Committee on Commerce.

Mrs. Brataas, Messrs. Mehrkens, Ramstad, Gustafson and Laidig introduced—

S.F. No. 2292: A bill for an act relating to insurance; accident and health; requiring the commissioner of commerce to administer health care plans for Minnesota residents who are not covered by other plans; establishing minimum benefits for these plans; allowing a tax credit for premiums paid for coverage; appropriating money; amending Minnesota Statutes 1988, sections 290.92, subdivision 5; and 290.93, subdivision 4; Minnesota Statutes 1989 Supplement, sections 290.01, subdivision 19a; and 290.92, subdivision 5a; proposing coding for new law in Minnesota Statutes, chapter 290; proposing coding for new law as Minnesota Statutes, chapter 62K.

Referred to the Committee on Commerce.

Mr. Knaak introduced—

S.F. No. 2293: A bill for an act relating to education; restoring hockey tournament authority to the Minnesota state high school league; amending Minnesota Statutes 1989 Supplement, section 129.121, subdivision 7; and Laws 1989, chapter 335, article 1, section 26.

Referred to the Committee on Education.

Messrs. McGowan, Benson and Storm introduced—

S.F. No. 2294: A bill for an act relating to controlled substances; proposing a variety of measures to improve the enforcement and prosecution of controlled substance cases and the aftercare treatment of persons who are chemically dependent; requiring maternal and child health block grants to be used to serve children whose mothers abused drugs during pregnancy; requiring chemical dependency assessments and random drug testing of persons convicted of felony-level controlled substance crimes; requiring professional licensing boards to develop policies on licensing sanctions for persons convicted of controlled substance crimes; requiring the sentencing

guidelines commission to collect data on sentencing departures in controlled substance cases; authorizing juvenile court jurisdiction over certain newborns who test positive for controlled substance exposure; making certain juvenile court orders applicable to adults; providing for driver's license revocation or denial for controlled substance offenders and juvenile alcohol offenders; clarifying certain data practices provisions; increasing penalties for a variety of controlled substance crimes and for certain repeat DWI offenders; reducing the blood alcohol concentration threshold from 0.10 to 0.06 for repeat offenses relating to DWI, criminal vehicular operation and for certain implied consent purposes; expanding the "open bottle" law to include constructive possession; expanding and simplifying the criminal forfeiture law; providing for state and local funding of chemical abuse prevention programs; providing a special levy for these programs; appropriating money; amending Minnesota Statutes 1988, sections 13.82, by adding a subdivision; 145.88; 169.121, subdivision 2; 169.122, subdivision 2; 169.129; 254B.01, subdivision 3, and by adding a subdivision; 254B.03, subdivision 2; 254B.05, subdivision 1; and 340A.801, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 145.882, subdivision 7; 152.01, subdivision 15a; 152.021; 152.022; 152.023, subdivisions 1 and 2; 152.024, subdivisions 1 and 2; 152.025, subdivision 1; 152.027, subdivision 4; 152.028, subdivision 1; 169.121, subdivisions 1 and 3; 169.123, subdivisions 2, 4, 5a, and 6; 245A.02, subdivision 10; 254B.02, subdivision 1; 254B.03, subdivision 1; 260.015, subdivision 2a; 260.185, subdivision 1; 260.195, subdivisions 3 and 3a; 299A.40, subdivisions 1 and 3; 340A.702; 609.21; 609.531, subdivision 6a; 609.5314, subdivision 1; and 609.5315, subdivision 5; Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5; and Laws 1989, chapter 290, article 12, section 2; proposing coding for new law in Minnesota Statutes, chapters 152; 214; 244; 260; 297D; 299C; 340A; and 481; repealing Minnesota Statutes 1989 Supplement, section 171.171.

Referred to the Committee on Health and Human Services.

Mr. Dicklich introduced—

S.F. No. 2295: A bill for an act relating to human services; authorizing demonstration projects involving the purchase of nursing facilities by employees; amending Minnesota Statutes 1988, section 256B.431, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Messrs. Bertram, Diessner, Lessard, Beckman and Vickerman introduced—

S.F. No. 2296: A bill for an act relating to veterans affairs; providing for payment of a reward for return of a Vietnam POW/MIA; providing a check-off for a Vietnam POW/MIA rescue fund; proposing coding for new law in Minnesota Statutes, chapters 197 and 290.

Referred to the Committee on Veterans and Military Affairs.

Messrs. Brandl; Davis; Johnson, D.J.; Moe, D.M. and Ms. Flynn introduced—

S.F. No. 2297: A bill for an act relating to taxation; property; requiring equal access to food or beverage services or facilities for golf clubs under

open space property tax treatment; amending Minnesota Statutes 1989 Supplement, section 273.112, subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Dahl and Metzen introduced—

S.F. No. 2298: A bill for an act relating to health; regulating health maintenance organizations; limiting risk-sharing arrangements with providers; amending Minnesota Statutes 1988, section 62D.12, subdivision 9b.

Referred to the Committee on Health and Human Services.

Messrs. Dicklich; Johnson, D.J.; McGowan and Decker introduced—

S.F. No. 2299: A bill for an act relating to economic development; establishing the Minnesota natural wild rice promotion council; appropriating money; amending Minnesota Statutes 1988, section 84.091, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 84; repealing Minnesota Statutes 1988, section 84.0911, subdivision 2.

Referred to the Committee on Agriculture and Rural Development.

Mr. Morse introduced—

S.F. No. 2300: A bill for an act relating to the state university board; authorizing the issuance of revenue bonds; amending Minnesota Statutes 1988, section 136.41, by adding a subdivision.

Referred to the Committee on Education.

Messrs. Luther; Moe, R.D.; Frederick; Pehler and Benson introduced—

S.F. No. 2301: A bill for an act relating to public safety; providing scholarship fund program for spouse and dependent children of public safety officers killed in the line of duty; increasing death benefit; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 299A; repealing Minnesota Statutes 1988, sections 176B.01, as amended; 176B.02; 176B.03; 176B.04; and 176B.05.

Referred to the Committee on Governmental Operations.

Mr. Stumpf introduced—

S.F. No. 2302: A bill for an act relating to telephone services; requiring local location identification data bases for 911 systems; classifying data provided for data bases; amending Minnesota Statutes 1988, sections 403.02, by adding a subdivision; and 403.07, by adding subdivisions; Minnesota Statutes 1989 Supplement, section 403.11, subdivision 1.

Referred to the Committee on Public Utilities and Energy.

Messrs. Solon; Kroening; Moe, R.D.; Benson and Luther introduced—

S.F. No. 2303: A bill for an act relating to economic development; establishing a board of invention; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

Referred to the Committee on Economic Development and Housing.

Mr. Bertram introduced—

S.F. No. 2304: A bill for an act relating to controlled substances; increasing penalty for possession or sale of a small amount of marijuana without remuneration; amending Minnesota Statutes 1989 Supplement, section 152.027, subdivision 4.

Referred to the Committee on Judiciary.

Mr. Chmielewski introduced—

S.F. No. 2305: A bill for an act relating to retirement; allowing a certain public employees retirement association annuitant to repay amounts received and resume active member status.

Referred to the Committee on Governmental Operations.

Mr. Lessard introduced—

S.F. No. 2306: A bill for an act relating to finance; appropriating money to the Mississippi headwaters board.

Referred to the Committee on Environment and Natural Resources.

Mr. Lessard introduced—

S.F. No. 2307: A bill for an act relating to state lands; authorizing sale of certain tax-forfeited land in Koochiching county.

Referred to the Committee on Environment and Natural Resources.

Mr. Waldorf introduced—

S.F. No. 2308: A bill for an act relating to education; changing permitted kinds of investments for the permanent university fund; permitting capital gains of the fund to be used to support endowed academic chairs; amending Minnesota Statutes 1988, section 137.022, subdivisions 1 and 3.

Referred to the Committee on Finance.

Messrs. Langseth, Purfeerst and DeCramer introduced—

S.F. No. 2309: A bill for an act relating to transportation; authorizing the issuance of \$32,000,000 in Minnesota state transportation bonds for the construction and reconstruction of county and city bridges; appropriating money.

Referred to the Committee on Transportation.

Mr. Waldorf introduced—

S.F. No. 2310: A bill for an act relating to education; revising, updating, and making substantive changes in the laws on the county extension service; amending Minnesota Statutes 1988, sections 38.33; 38.34; 38.35; 38.36; 38.37; and 38.38; proposing coding for new law in Minnesota Statutes, chapter 38.

Referred to the Committee on Agriculture and Rural Development.

Mr. Anderson introduced—

S.F. No. 2311: A bill for an act relating to education; permitting the Clarissa and Eagle Bend school districts, if consolidated, to have two election districts conforming to the territory of the consolidating districts.

Referred to the Committee on Education.

Mr. McGowan, Ms. Reichgott and Mr. Belanger introduced—

S.F. No. 2312: A bill for an act relating to crime; increasing the penalty for assaulting a child protection worker who is performing lawful duties; amending Minnesota Statutes 1988, section 609.2231, by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Langseth introduced—

S.F. No. 2313: A bill for an act relating to minimum wages; defining the term "employee" to exclude certain seasonal children's resident or day camp employees; amending Minnesota Statutes 1988, section 177.23, subdivision 7.

Referred to the Committee on Employment.

Ms. Flynn introduced—

S.F. No. 2314: A bill for an act relating to education; placing certain positions in special school district No. 1, Minneapolis, in the unclassified service; naming the appointing authority for the positions.

Referred to the Committee on Education.

Mr. Metzen introduced—

S.F. No. 2315: A bill for an act relating to retirement; refund of municipal contributions to police and fire retirement programs after consolidation; amending Minnesota Statutes 1988, section 353A.09, subdivision 5.

Referred to the Committee on Governmental Operations.

Messrs. Decker, Renneke, Bernhagen, Belanger and Frederick introduced—

S.F. No. 2316: A bill for an act relating to insurance; accident and health; requiring the commissioner of commerce to administer health care plans for Minnesota residents who are not covered by other plans; establishing minimum benefits for these plans; allowing a tax credit for premiums paid for coverage; appropriating money; amending Minnesota Statutes 1988, sections 290.92, subdivision 5; and 290.93, subdivision 4; Minnesota Statutes 1989 Supplement, sections 290.01, subdivision 19a; and 290.92, subdivision 5a; proposing coding for new law in Minnesota Statutes, chapter 290; proposing coding for new law as Minnesota Statutes, chapter 62K.

Referred to the Committee on Commerce.

Messrs. Dicklich and Marty introduced—

S.F. No. 2317: A bill for an act relating to utilities; providing for the assessment of expenses for adjudicating service area disputes to municipal electric utilities; amending Minnesota Statutes 1988, section 216B.62, subdivision 5.

Referred to the Committee on Public Utilities and Energy.

Mses. Berglin and Reichgott introduced—

S.F. No. 2318: A bill for an act relating to education; making rules governing the use of aversive and deprivation procedures by school district employees conform with department of human services rules; amending Minnesota Statutes 1988, section 127.44.

Referred to the Committee on Education.

Mr. Dicklich introduced—

S.F. No. 2319: A bill for an act relating to education and training; creating a legislative task force on employment in the 1990s; providing for the task force's duties.

Referred to the Committee on Employment.

Mr. Chmielewski introduced—

S.F. No. 2320: A bill for an act relating to health; prohibiting public employees and facilities from being used for abortions; proposing coding for new law in Minnesota Statutes, chapter 145.

Referred to the Committee on Health and Human Services. Mr. Chmielewski questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Novak; Lessard; Johnson, D.J.; Bernhagen and Dahl introduced—

S.F. No. 2321: A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 14; dedicating certain lottery revenue to the environment and natural resources trust fund; repealing Minnesota Statutes 1988, section 116P.04, subdivisions 2 and 3.

Referred to the Committee on Environment and Natural Resources.

Mr. Stumpf introduced—

S.F. No. 2322: A bill for an act relating to taxation; property; changing a specification for certain commercial seasonal recreational property; amending Minnesota Statutes Second 1989 Supplement, section 273.13, subdivisions 22 and 25.

Referred to the Committee on Taxes and Tax Laws.

Mr. Cohen introduced—

S.F. No. 2323: A bill for an act relating to retirement; public employees retirement association; authorizing the payment of benefits to surviving former spouses of certain members.

Referred to the Committee on Governmental Operations.

Messrs. Frederickson, D.R.; Davis and DeCramer introduced—

S.F. No. 2324: A bill for an act relating to education; modifying the transportation formula; creating a nonpublic pupil category of funding; amending Minnesota Statutes 1989 Supplement, section 124.225, subdivisions 1 and 7d.

Referred to the Committee on Education.

Mr. Lessard introduced—

S.F. No. 2325: A bill for an act relating to human services; the Minnesota board on aging; requiring formula distribution of funds for congregate meals within regions; amending Minnesota Statutes 1988, section 256.975, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Mr. Lessard introduced—

S.F. No. 2326: A bill for an act relating to environment and natural resources; authority for regional park land acquisition; repealing Laws 1988, chapter 686, article 1, section 26.

Referred to the Committee on Environment and Natural Resources.

Mr. Knaak introduced—

S.F. No. 2327: A bill for an act relating to taxation; property; providing for homestead treatment of certain new residential construction offered for sale; amending Minnesota Statutes 1988, section 273.124, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Frederick introduced—

S.F. No. 2328: A bill for an act relating to commerce; providing a licensing requirement exemption for certain real estate appraisers; proposing coding for new law in Minnesota Statutes, chapter 82B.

Referred to the Committee on Commerce.

Mr. Pogemiller introduced—

S.F. No. 2329: A bill for an act relating to public financing; allocating authority to issue tax exempt revenue bonds; amending Minnesota Statutes 1988, sections 474A.02, subdivisions 6, 8, and by adding a subdivision; 474A.03; 474A.061, subdivision 3, and by adding subdivisions; 474A.081, as amended; 474A.091, subdivisions 1 and 5; 474A.131, subdivision 2; and 474A.14; Minnesota Statutes Second 1989 Supplement, sections 474A.061, subdivisions 1 and 4; and 474A.091, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 474A; repealing Minnesota Statutes 1988, section 474A.091, subdivisions 4 and 4a; repealing Minnesota Statutes Second 1989 Supplement, section 474A.061, subdivision 2.

Referred to the Committee on Economic Development and Housing.

Messrs. Morse; Moe, R.D. and Merriam introduced—

S.F. No. 2330: A bill for an act relating to environment; providing a procedure for political subdivisions to ratify county solid waste plans or assume authority and responsibility for mixed municipal solid waste processing and disposal; amending Minnesota Statutes 1988, section 400.08, subdivisions 1 and 3; Laws 1987, First Special Session chapter 5, section 1; proposing coding for new law in Minnesota Statutes, chapter 115A.

Referred to the Committee on Environment and Natural Resources.

Messrs. Marty and Moe, D.M. introduced—

S.F. No. 2331: A bill for an act relating to human rights; creating a commission to recommend measures for eliminating racism in Minnesota.

Referred to the Committee on Governmental Operations.

Messrs. Beckman, Renneke, Vickerman and Morse introduced—

S.F. No. 2332: A bill for an act relating to education; establishing the Minnesota education in agriculture council; proposing coding for new law in Minnesota Statutes, chapter 126.

Referred to the Committee on Education.

Mr. Frank introduced—

S.F. No. 2333: A bill for an act relating to government operations; authorizing the department of jobs and training to enter a lease for colocation of certain programs.

Referred to the Committee on Governmental Operations.

Messrs. Luther; Moe, R.D.; Pogemiller; Marty and Hughes introduced—

S.F. No. 2334: A bill for an act relating to elections; limiting campaign expenditures by congressional candidates who choose to receive a public subsidy for their campaigns; making various changes in laws applicable to school district elections; clarifying and modifying certain exceptions to multicandidate political party expenditure limitations; modifying lobbyist reporting requirements; expanding certain reports by certain political committees and political funds; discontinuing the state ethical practices board's responsibility for developing and furnishing certain forms; providing an income tax credit for contributions to state and federal candidates and political parties; limiting contributions and solicitations during a regular legislative session; providing a public subsidy for legislative candidates in special elections; requiring candidates to match funds received from the state elections campaign fund; providing a schedule for distribution of political campaign checkoff money to political parties; requiring deer licenses to include an application for absentee ballots; requiring county auditors to provide a sample ballot for classroom use; specifying a time period for preparing a candidate's affidavit; providing penalties; appropriating money; amending Minnesota Statutes 1988, sections 10A.01, subdivisions 7 and 10b; 10A.04, subdivisions 2, 4, and 4a; 10A.20, subdivision 3; 10A.25,

subdivision 10, and by adding a subdivision; 10A.255, by adding a subdivision; 10A.27, subdivisions 1 and 4; 10A.275; 10A.28, subdivision 1; 10A.30, subdivision 2; 10A.33; 97A.485, by adding a subdivision; 201.071, subdivision 3; 203B.08, subdivision 3; 204B.08, subdivision 3; 204B.09, subdivision 1; 204B.14, subdivision 5; 204B.17; 204B.44; 204C.22, subdivisions 9, 10, 15, and by adding a subdivision; 204D.04, subdivision 2; 205A.05, subdivision 1; 205A.07, by adding a subdivision; 205A.09, subdivision 2; 205A.11; 209.02, subdivision 1; 209.03; 209.09, subdivision 1; 211A.01, subdivision 6; 290.06, by adding a subdivision; and 383B.055, subdivisions 1 and 2; and Minnesota Statutes 1989 Supplement, sections 205A.10, subdivisions 2 and 3; and 209.021, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 10A and 204D; repealing Minnesota Statutes 1988, sections 10A.27, subdivision 5; 10A.32, subdivisions 1, 2, 3, and 4; and 211B.11, subdivision 2; and Minnesota Statutes 1989 Supplement, section 10A.32, subdivision 3a.

Referred to the Committee on Elections and Ethics. Mr. Knaak questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Luther; Moe, D.M. and Kroening introduced—

S.F. No. 2335: A bill for an act relating to state government; regulating the salary of administrative law judges; amending Minnesota Statutes 1988, section 15A.083, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. Luther, Cohen, Laidig, Freeman and Stumpf introduced—

S.F. No. 2336: A bill for an act relating to crimes; providing for forfeiture of conveyance devices used to commit a drunk driving offense by certain repeat DWI violators; amending Minnesota Statutes 1988, section 609.5312, subdivision 1; Minnesota Statutes 1989 Supplement, section 609.531, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Luther and Ms. Berglin introduced—

S.F. No. 2337: A bill for an act relating to health; establishing restrictions on the work hours of resident physicians; proposing coding for new law in Minnesota Statutes, chapter 144.

Referred to the Committee on Health and Human Services.

Mr. Schmitz introduced—

S.F. No. 2338: A bill for an act relating to health; prohibiting abortion; providing criminal penalties and injunctive relief; proposing coding for new law in Minnesota Statutes, chapter 617; repealing Minnesota Statutes 1988, sections 145.411, 145.412, 145.413, 145.414, 145.415, and 145.416.

Referred to the Committee on Health and Human Services.

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

MOTIONS AND RESOLUTIONS

Mr. Moe, R.D. moved that the name of Ms. Peterson, D.C. be stricken as chief author and the name of Ms. Reichgott be added as chief author to S.F. No. 1464. The motion prevailed.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 2:00 p.m., Monday, March 5, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-SIXTH DAY

St. Paul, Minnesota, Monday, March 5, 1990

The Senate met at 2:00 p.m. and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rabbi Stacy Offner.

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

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

Adkins	Dahl	Hughes	Mehrkens	Pogemiller
Anderson	Davis	Johnson, D.E.	Merriam	Purfeerst
Beckman	Decker	Johnson, D.J.	Metzen	Ramstad
Belanger	DeCramer	Knaak	Moe, D.M.	Reichgott
Benson	Dicklich	Laidig	Moe, R.D.	Renneke
Berg	Diessner	Langseth	Morse	Samuelson
Berglin	Flynn	Lantry	Novak	Schmitz
Bernhagen	Frank	Larson	Olson	Solon
Bertram	Frederick	Lessard	Pariseau	Spear
Brandl	Frederickson, D.J.	Luther	Pehler	Storm
Brataas	Frederickson, D.R.	Marty	Peterson, R.W.	Stumpf
Chmielewski	Freeman	McGowan	Piepho	Vickerman
Cohen	Gustafson	McQuaid	Piper	Waldorf

The President declared a quorum present.

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

MEMBERS EXCUSED

Mr. Kroening was excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

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

January 29, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

David Velde, Rt. 2, Box 49, Carlos, Douglas County, has been appointed by me, effective January 24, 1990, for a term expiring the first Monday in January, 1994.

(Referred to the Committee on Agriculture and Rural Development.)

February 22, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Theodore Huisinga, 5770 County Rd. 9 N.E., Willmar, Kandiyohi County, has been appointed by me, effective January 30, 1990, for a term expiring the first Monday in January, 1994.

(Referred to the Committee on Agriculture and Rural Development.)

February 22, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Erling O. Johnson, 832 Eastwood Ln., Anoka, Anoka County, has been appointed by me, effective January 30, 1990, for a term expiring the first Monday in January, 1994.

Alan T. Zdon, 3825 - 3rd Ave. E., Hibbing, St. Louis County, has been appointed by me, effective January 30, 1990, for a term expiring the first Monday in January, 1994.

(Referred to the Committee on Education.)

Sincerely,
Rudy Perpich, Governor

MESSAGES FROM THE HOUSE

Mr. President:

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

Senate Concurrent Resolution No. 9: A Senate concurrent resolution providing session deadline dates for the legislature pursuant to Joint Rule 2.03.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 1, 1990

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1893 and 1895.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 1, 1990

FIRST READING OF HOUSE BILLS

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

H.F. No. 1893: A bill for an act relating to local government; authorizing certain towns to contribute to economic development organizations.

Referred to the Committee on Economic Development and Housing.

H.F. No. 1895: A bill for an act relating to courts; providing an alternative dispute resolution pilot project in the second judicial district; amending Minnesota Statutes 1989 Supplement, section 484.74, subdivision 4.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1917, now on General Orders.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 1931 and reports pertaining to appointments. The motion prevailed.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1729: A bill for an act relating to traffic regulations; requiring motorists to activate vehicle lights during inclement weather conditions; amending Minnesota Statutes 1988, section 169.48.

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1775: A bill for an act relating to motor vehicles; allowing tax-exempt license plates for vehicles used for driver education programs at nonpublic high schools; amending Minnesota Statutes 1989 Supplement, section 168.012, subdivision 1.

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

Page 1, line 19, before "in" insert "solely"

Page 1, line 23, after the semicolon, insert "and"

Page 2, line 34, strike "public" and insert "*political*" and after "sub-division" insert "*-, or the nonpublic high school operating a driver education program,*"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1420: A bill for an act relating to highways; abolishing authority of a city to disapprove the abandonment, change, or revocation of a county state-aid highway; providing that 30 percent of the county state-aid highway fund be apportioned on the basis of lane-miles; changing the composition of the county state-aid screening board; amending Minnesota Statutes 1988, sections 162.02, subdivision 10; and 162.07, subdivisions 1 and 5.

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

Pages 1 and 2, delete sections 1 and 2

Page 3, lines 11 to 13, delete the new language and insert "*-, plus three additional engineers from the highway construction district which includes Anoka, Carver, Chisago, Dakota, Hennepin, Ramsey, Scott, and Washington counties. Of the four county engineers appointed from this district, two shall be appointed from Anoka, Hennepin, Carver, and Scott counties, and two shall be appointed from Chisago, Dakota, Ramsey, and Washington counties*"

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to highways; changing the composition of the county state-aid screening board; amending Minnesota Statutes 1988, section 162.07, subdivision 5."

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

Mr. Dicklich from the Committee on Public Utilities and Energy, to which was referred

S.F. No. 1973: A resolution memorializing the President and Congress to reauthorize the low-income home energy assistance program and to increase its appropriation for fiscal year 1991 and subsequent years.

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 158: A bill for an act relating to local government; describing relations between counties and towns for planning and zoning; amending Minnesota Statutes 1988, section 394.33, subdivision 1.

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1897: A bill for an act relating to taxation; property; clarifying employment terms of city and town assessors; amending Minnesota Statutes 1988, section 273.05, subdivision 1.

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 1871: A bill for an act relating to the city of Detroit Lakes; authorizing the establishment of a detached banking facility under certain conditions.

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 1754: A bill for an act relating to intoxicating liquor; restrictions on issuance of off-sale and combination licenses within unorganized territory in certain counties; amending Minnesota Statutes 1988, section 340A.405, subdivision 2.

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2109: A bill for an act relating to insurance; regulating cancellations, reductions, and nonrenewals of commercial property and liability insurance; amending Minnesota Statutes 1988, section 60A.38, by adding a subdivision.

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

Page 1, line 10, after the comma, insert "*United States Postal Service*"

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

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

S.F. No. 1725: A bill for an act relating to the environment; changing the collection period of the fee; changing the terms for reimbursement of petroleum tank release costs by the petroleum tank release compensation board; amending Minnesota Statutes 1988, section 115C.08, subdivision 2; and Minnesota Statutes 1989 Supplement, sections 115C.08, subdivision 5; and 115C.09, subdivision 3.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 115C.02, is amended by adding a subdivision to read:

Subd. 10a. [PETROLEUM REFINERY.] "Petroleum refinery" means a facility engaged in producing gasoline, kerosene, distillate fuel oils, residual fuel oil, lubricants, or other products through distillation of petroleum or through redistillation, cracking, or reforming of unfinished petroleum derivatives. "Petroleum refinery" includes fluid catalytic cracking unit catalyst regenerators, fluid catalytic cracking unit incinerator-waste heat boilers, fuel gas combustion devices, and indirect heating equipment associated with the refinery.

Sec. 2. Minnesota Statutes 1988, section 115C.02, is amended by adding a subdivision to read:

Subd. 15. [TANK FACILITY.] "Tank facility" means a contiguous area where tanks are located that are under the same ownership or control.

Sec. 3. Minnesota Statutes 1988, section 115C.08, subdivision 2, is amended to read:

Subd. 2. [IMPOSITION OF FEE.] The board shall notify the commissioner of revenue if the ~~unexpended~~ unencumbered balance of the fund falls below ~~\$1,000,000~~ \$2,000,000, and within 60 days after receiving notice from the board, the commissioner of revenue shall impose the fee established in subdivision 3 on the use of a tank for a 30-day period, within 60 days of receiving notice from the board four calendar months, with payment to be submitted with each monthly distributor tax return.

Sec. 4. Minnesota Statutes 1989 Supplement, section 115C.08, subdivision 5, is amended to read:

Subd. 5. [FUND TRANSFER.] The board shall authorize the commissioner of finance to transfer to the harmful substance compensation fund the amount requested by the harmful substance compensation board under section 115B.26, subdivision 4. Transfer of the amount must be made at the earliest practical date after authorization by the board. If the ~~unexpended~~ unencumbered balance in the fund is less than ~~\$1,000,000~~ \$2,000,000 the transfer must be made at the earliest practical date after the ~~unexpended~~ unencumbered balance in the fund exceeds that amount.

Sec. 5. Minnesota Statutes 1989 Supplement, section 115C.09, subdivision 3, is amended to read:

Subd. 3. [REIMBURSEMENT.] (a) The board shall reimburse a responsible person who is eligible under subdivision 2 from the fund for 90 percent of the portion of the total reimbursable costs less than ~~\$250,000~~ or \$1,000,000, whichever is less. Not more than ~~\$250,000~~ \$1,000,000 may be reimbursed for costs associated with a single release, regardless of the number of persons eligible for reimbursement, and not more than \$2,000,000 may be reimbursed for costs associated with a single tank facility.

(b) A reimbursement may not be made from the fund under this subdivision until the board has determined that the costs for which reimbursement is requested were actually incurred and were reasonable.

(c) Money in the fund is appropriated to the board to make reimbursements under this section. Reimbursements to state agencies are appropriated to the state agencies for the fiscal year in which they are received.

Sec. 6. Minnesota Statutes 1989 Supplement, section 115C.09, is amended by adding a subdivision to read:

Subd. 3c. [RELEASE AT REFINERIES AND TANK FACILITIES NOT

ELIGIBLE FOR REIMBURSEMENT.] *Notwithstanding other provisions of subdivisions 1 to 3b, a reimbursement may not be made under this section for costs associated with a release:*

- (1) *from a tank located at a petroleum refinery; or*
- (2) *from a tank facility, including a pipeline terminal, with more than 1,000,000 gallons of total petroleum storage capacity at the tank facility.*

Sec. 7. [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 the fund balances required to impose the fee and the collection period of the fee; changing the terms for reimbursement of petroleum tank release costs by the petroleum tank release compensation board; providing certain tank facilities and refineries are ineligible for reimbursement; appropriating money reimbursed to state agencies; amending Minnesota Statutes 1988, sections 115C.02, by adding subdivisions; 115C.08, subdivision 2; Minnesota Statutes 1989 Supplement, sections 115C.08, subdivision 5; and 115C.09, subdivision 3, and by adding a subdivision."

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

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

S.F. No. 2174: A bill for an act relating to public lands; providing payment equivalency for lost revenue from certain federal land leased to the state to be paid from revenue generated from the land; proposing coding for new law in Minnesota Statutes, chapter 84A.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 477A.11, subdivision 4, is amended to read:

Subd. 4. "Other natural resources land" means:

(1) *any other land presently owned in fee title by the state and administered by the commissioner, or any tax-forfeited land, other than platted lots within a city, which is owned by the state and administered by the commissioner or by the county in which it is located; and*

(2) *land leased by the state from the United States of America through the United States Secretary of Agriculture pursuant to Title III of the Bankhead Jones Farm Tenant Act, which land is commonly referred to as land utilization project land that is administered by the commissioner.*

Sec. 2. [EFFECTIVE DATE.]

This act is effective July 1, 1990, and applies to payments due on or after that date."

Delete the title and insert:

“A bill for an act relating to public lands; providing payments in lieu of taxes for certain federal land leased to the state; amending Minnesota Statutes 1988, section 477A.11, subdivision 4.”

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

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

S.F. No. 1675: A bill for an act relating to game and fish; authorizing the Leech Lake Band of Chippewa Indians to conduct certain types of aquaculture; directing promotion of and commercial licenses to take rough fish from Lake of the Woods; removing aquaculture restrictions in private waters if public waters are not made unhealthy; authorizing transportation of minnows by common carrier; providing restrictions for taking crayfish; amending Minnesota Statutes 1988, sections 97A.155, by adding a subdivision; 97C.501, subdivision 1; and 97C.525, by adding a subdivision; Minnesota Statutes 1989 Supplement, section 17.49, subdivision 2, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 17 and 97C.

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

Page 2, delete section 3 and insert:

“Sec. 3. [17.493] [AQUICULTURE IN UNINVENTORIED WATERS.]

No state agency, subdivision, municipality, or other public body may restrict aquiculture, including fish farming, in waters that are not included on the public waters inventory because of degradation of the water from the fish farming or aquiculture unless the state agency can reasonably demonstrate that the aquiculture will cause conditions that degrade public waters or groundwater or adversely affect the public health.”

Page 2, line 18, delete “of aquiculture”

Page 2, line 25, delete “sale, or consumption” and insert “the sale or exchange for stocking purposes, or subsistence”

Page 2, after line 25, insert:

“Sec. 6. Minnesota Statutes 1988, section 97A.401, is amended by adding a subdivision to read:

Subd. 8. [CRAYFISH HARVEST AND CULTURE.] The commissioner shall issue special permits with conditions for the harvest and culture of crayfish under section 97C.715.”

Page 3, line 7, delete everything after “carrier”

Page 3, delete lines 8 to 10 and insert “and must provide on request by the commissioner information pertaining to product, quantity, and destination.”

Page 3, delete section 8

Page 3, line 15, delete “(a)”

Page 3, delete lines 22 to 26

Page 3, line 27, delete “SALE” and insert “USE”

Page 3, line 28, delete "sold" and insert "used"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after "removing" insert "certain"

Page 1, line 7, delete "are not made unhealthy" and insert "or ground-water is not degraded or public health is not affected"

Page 1, line 11, after the first semicolon, insert "97A.401, by adding a subdivision;"

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

Mr. Bertram from the Committee on Veterans and Military Affairs, to which was referred

S.F. No. 1851: A bill for an act relating to the military; authorizing appointment of an executive director of the department of military affairs; amending Minnesota Statutes 1988, section 190.08, by adding a subdivision.

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

Mr. Bertram from the Committee on Veterans and Military Affairs, to which was referred

S.F. No. 1967: A bill for an act relating to veterans; changing a provision prohibiting cemeteries near veterans homes; amending Minnesota Statutes 1988, section 137.20.

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

Mr. Bertram from the Committee on Veterans and Military Affairs, to which was referred

S.F. No. 2032: A bill for an act relating to veterans; extending the program for free tuition at technical colleges for certain veterans; requiring a study and a report; amending Minnesota Statutes 1988, section 136C.13, subdivision 4.

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 838: A bill for an act relating to motor vehicles; providing for special license plates for disabled persons; setting fee for duplicate personalized license plates; amending Minnesota Statutes 1988, sections 168.011, subdivision 4; 168.012, subdivisions 1 and 3a; 168.021; 168.12, subdivision 2a; 168.125, subdivision 2; 168.27, subdivision 2; 168.29; 169.01, subdivision 24a; 169.215; 169.345; and 169.346; repealing Minnesota Statutes 1988, section 168.12, subdivisions 3 and 4.

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

Pages 1 to 3, delete sections 1 and 2 and insert:

“Section 1. Minnesota Statutes 1989 Supplement, section 168.011, subdivision 4, is amended to read:

Subd. 4. [MOTOR VEHICLE.] (a) “Motor vehicle” means any self-propelled vehicle not operated exclusively upon railroad tracks and any vehicle propelled or drawn by a self-propelled vehicle and includes vehicles known as trackless trolleys which are propelled by electric power obtained from overhead trolley wires but not operated upon rails, except snowmobiles, manufactured homes, and park trailers.

(b) “Motor vehicle” also includes an all-terrain vehicle, as defined in section 84.92, subdivision 8, which (1) has at least four wheels, (2) is owned and operated by a physically ~~handicapped~~ disabled person, and (3) displays both physically ~~handicapped~~ disabled license plates and a physically ~~handicapped~~ disabled certificate issued under section 169.345, subdivision 3.

(c) Motor vehicle does not include an all-terrain vehicle as defined in section 84.92, subdivision 8; except (1) an all-terrain vehicle described in paragraph (b), or (2) an all-terrain vehicle licensed as a motor vehicle before August 1, 1985, in which case the owner may continue to license it as a motor vehicle until it is conveyed or otherwise transferred to another owner, is destroyed, or fails to comply with the registration and licensing requirements of this chapter.

Sec. 2. Minnesota Statutes 1989 Supplement, 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 owned by nonprofit charities and used exclusively to transport ~~handicapped~~ disabled persons for educational purposes;

(4) vehicles owned and used by honorary consul or consul general of foreign governments.

(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 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 public subdivision 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."

Pages 3 to 6, delete section 4 and insert:

"Sec. 4. Minnesota Statutes 1988, section 168.021, as amended by Laws 1989, chapter 234, sections 1 and 2, is amended to read:

168.021 [LICENSE PLATES FOR PHYSICALLY HANDICAPPED DISABLED PERSONS.]

Subdivision 1. [SPECIAL PLATES; APPLICATION FOR ISSUANCE.]

(a) When a motor vehicle registered under section 168.017, or a self-propelled recreational vehicle, is owned or primarily operated by a permanently physically ~~handicapped~~ disabled person or a custodial parent or guardian of a permanently physically ~~handicapped~~ disabled minor, the owner may apply for and secure from the registrar of motor vehicles two license plates with attached emblems, one plate to be attached to the front, and one to the rear of the vehicle. Application for the plates must be made at the time of renewal or first application for registration. When the owner first applies for the plates, the owner must submit a physician's statement on a form developed by the commissioner under section 169.345, or proof of physical ~~handicap~~ disability provided for in that section.

(b) The owner of a motor vehicle may apply for and secure a set of special plates for a motor vehicle if:

(1) the owner employs a permanently physically ~~handicapped~~ disabled person who would qualify for special plates under this section; and

(2) the owner furnishes the motor vehicle to the physically ~~handicapped~~ disabled person for the exclusive use of that person in the course of employment.

Subd. 1a. [SCOPE OF PRIVILEGE.] If a physically ~~handicapped~~ *disabled* person parks a vehicle displaying license plates described in this section or any person parks the vehicle for a physically ~~handicapped~~ *disabled* person, that person shall be entitled to park the vehicle as provided in section 169.345.

Subd. 2. [DESIGN OF PLATES; FURNISHING BY REGISTRAR.] The registrar of motor vehicles shall design and furnish two license number plates with attached emblems to each eligible owner. The emblem must bear the internationally accepted wheelchair symbol, as designated in section 16B.61, subdivision 5, approximately three inches square. The emblem must be large enough to be visible plainly from a distance of 50 feet. An applicant eligible for the special plates shall pay the motor vehicle registration fee authorized by law less a credit of \$1 for each month registered.

Subd. 2a. [PLATE RETURNS, TRANSFERS.] (a) When vehicle ownership is transferred, the owner of the vehicle shall remove the special plates from the vehicle and return them to the registrar. The buyer of the vehicle shall repay the \$1 credit for each month remaining in the registration period for which the special plates were issued. On returning the plates and repaying the remaining credit, the buyer is entitled to receive regular plates for the vehicle without further cost for the rest of the registration period.

(b) Notwithstanding section 168.12, subdivision 1, the special plates may be transferred to a replacement motor vehicle on notification to the registrar. However, the special plates may not be transferred unless the replacement motor vehicle (1) is registered under section 168.017 or is a self-propelled recreational vehicle, and (2) is owned or primarily operated by the permanently physically disabled person.

(c) The transferor shall not receive the \$1 credit for each month the replacement vehicle is registered until the time of renewal or first application for registration on the replacement vehicle.

Subd. 2b. [WHEN NOT ELIGIBLE.] On becoming ineligible for the special plates, the owner of the vehicle shall remove the special plates and return them to the registrar. The owner shall repay the \$1 credit for each month remaining in the registration period for which the special plates were issued. On returning the plates and repaying the remaining credit, the owner may receive regular plates for the vehicle without further cost for the rest of the registration period.

Subd. 3. [PENALTIES FOR UNAUTHORIZED USE OF PLATES.] (a) A person who uses the plates provided under this section on a motor vehicle in violation of this section is guilty of a misdemeanor, and is subject to a fine of \$500. This subdivision does not preclude a person who is not physically ~~handicapped~~ *disabled* from operating a vehicle bearing the plates if:

(1) the person is the owner of the vehicle and permits its operation by a physically ~~handicapped~~ *disabled* person;

(2) the person operates the vehicle with the consent of the owner who is physically ~~handicapped~~ *disabled*; or

(3) the person is the owner of the vehicle, is the custodial parent or guardian of a permanently physically ~~handicapped~~ *disabled* minor, and operates the vehicle to transport the minor.

(b) A driver who is not ~~handicapped~~ *disabled* is not entitled to the parking privileges provided in this section and in section 169.346 unless parking the vehicle for a physically ~~handicapped~~ *disabled* person.

Subd. 4. [FEES; DISPOSITION.] All fees collected from the sale of plates under this section shall be deposited in the state treasury to the credit of the highway user tax distribution fund.

Subd. 5. [DEFINITIONS.] For the purposes of this section, the term "physically ~~handicapped~~ *disabled* person" has the meaning given it in section 169.345.

Subd. 6. [DRIVER'S LICENSE LAW NOT AFFECTED.] Nothing in this section shall be construed to revoke, limit, or amend chapter 171."

Pages 10 to 13, delete section 11 and insert:

"Sec. 11. Minnesota Statutes 1989 Supplement, section 169.345, is amended to read:

169.345 [PARKING PRIVILEGES FOR PHYSICALLY HANDICAPPED ~~DISABLED~~.]

Subdivision 1. [SCOPE OF PRIVILEGE.] A vehicle that prominently displays the certificate authorized by this section, or bears license plates issued under section 168.021, may be parked by or for a physically ~~handicapped~~ *disabled* person:

(1) in a designated ~~handicapped~~ parking space *for disabled persons*, as provided in section 169.346; and

(2) in a metered parking space without obligation to pay the meter fee.

For purposes of this subdivision, a certificate is prominently displayed if it is displayed on the dashboard in the left-hand corner of the front windshield of the vehicle with no part of the certificate obscured.

Notwithstanding clauses (1) and (2), this section does not permit parking in areas prohibited by sections 169.32 and 169.34, in designated no parking spaces, or in parking spaces reserved for specified purposes or vehicles. A local governmental unit may, by ordinance, prohibit parking on any street or highway to create a fire lane, or to accommodate heavy traffic during morning and afternoon rush hours and these ordinances also apply to physically ~~handicapped~~ *disabled* persons.

Subd. 2. [DEFINITIONS.] For the purpose of this section, "physically ~~handicapped~~ *disabled* person" means a person who:

(1) because of disability cannot walk without significant risk of falling;

(2) because of disability cannot walk 200 feet without stopping to rest;

(3) because of disability cannot walk without the aid of another person, a walker, a cane, crutches, braces, a prosthetic device, or a wheelchair;

(4) is restricted by a respiratory disease to such an extent that the person's forced (respiratory) expiratory volume for one second, when measured by spirometry, is less than one liter;

(5) has an arterial oxygen tension (PAO₂) of less than 60 mm/Hg on room air at rest;

(6) uses portable oxygen;

(7) has a cardiac condition to the extent that the person's functional limitations are classified in severity as class III or class IV according to standards set by the American Heart Association;

(8) has lost an arm or a leg and does not have or cannot use an artificial limb; or

(9) has a disability that would be aggravated by walking 200 feet under normal environmental conditions to an extent that would be life threatening.

Subd. 2a. [PHYSICIAN'S OR CHIROPRACTOR'S STATEMENT.] (a) The commissioner shall develop a form for the physician's or chiropractor's statement. The statement must be signed by a licensed physician or chiropractor who certifies that the applicant is a physically ~~handicapped~~ *disabled* person as defined in subdivision 2. The commissioner may request additional information from the physician or chiropractor if needed to verify the applicant's eligibility. The statement that the applicant is a physically ~~handicapped~~ *disabled* person must specify whether the disability is permanent or temporary, and if temporary, the opinion of the physician or chiropractor as to the duration of the disability. A physician or chiropractor who fraudulently certifies to the commissioner that a person is a physically ~~handicapped~~ *disabled* person as defined in subdivision 2, and that the person is entitled to the license plates authorized by section 168.021 or to the certificate authorized by this section, is guilty of a misdemeanor and is subject to a fine of \$500.

(b) The commissioner may waive the requirement of providing a statement of a licensed physician or chiropractor, if the applicant has previously filed with the commissioner a statement of a licensed physician or chiropractor certifying that the applicant has a permanent physical ~~handicap~~ *disability*.

Subd. 3. [IDENTIFYING CERTIFICATE.] (a) The division of driver and vehicle services in the department of public safety shall issue a special identifying certificate for a motor vehicle when a physically ~~handicapped~~ *disabled* applicant submits proof of physical ~~handicap~~ *disability* under subdivision 2a. The commissioner shall design separate certificates for persons with permanent and temporary disabilities that can be readily distinguished from each other from outside a vehicle at a distance of 25 feet. The certificate is valid for the duration of the person's disability, as specified in the physician's or chiropractor's statement, up to a maximum of six years. A person with a disability of longer duration will be required to renew the certificate for additional periods of time, up to six years each, as specified in the physician's or chiropractor's statement.

(b) When the commissioner is satisfied that a motor vehicle is used primarily for the purpose of transporting physically ~~handicapped~~ *disabled* persons, the division may issue without charge a special identifying certificate for the vehicle. The operator of a vehicle displaying the certificate has the parking privileges provided in subdivision 1 while the vehicle is in use for transporting physically ~~handicapped~~ *disabled* persons. The certificate issued to a person transporting physically ~~handicapped~~ *disabled* persons must be renewed every third year. On application and renewal, the person must present evidence that the vehicle continues to be used for transporting physically ~~handicapped~~ *disabled* persons.

(c) A certificate must be made of plastic or similar durable material, must be distinct from certificates issued before January 1, 1988, and must

bear its expiration date prominently on its face. A certificate issued to a temporarily disabled person must display the date of expiration of the duration of the disability, as determined under paragraph (a). Each certificate must have printed on the back a summary of the parking privileges and restrictions that apply to each vehicle in which it is used. The commissioner may charge a fee of \$5 for issuance or renewal of a certificate, and a fee of \$5 for a duplicate to replace a lost, stolen, or damaged certificate.

Subd. 4. [UNAUTHORIZED USE; REVOCATION; PENALTY.] If a peace officer finds that the certificate is being improperly used, the officer shall report the violation to the division of driver and vehicle services in the department of public safety and the commissioner of public safety may revoke the certificate. A person who uses the certificate in violation of this section is guilty of a misdemeanor and is subject to a fine of \$500."

Amend the title as follows:

Page 1, line 5, delete everything after "sections"

Page 1, delete lines 6 to 10 and insert "168.012, subdivision 3a; 168.021, as amended; 168.12, subdivision 2a; 168.125, subdivision 2; 168.27, subdivision 2; 168.29; 169.01, subdivision 24a; 169.215; and 169.346; Minnesota Statutes 1989 Supplement, sections 168.011, subdivision 4; 168.012, subdivision 1; and 169.345; repealing Minnesota Statutes 1988, section 168.12, subdivisions 3 and 4."

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2129: A bill for an act relating to insurance; modifying the effective date of the statutory notice requirement for cancellation or non-renewal of individual life policies; amending Laws 1989, chapter 330, section 38.

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

Page 1, lines 14 and 15, delete the new language and insert "*Section 29 does not apply to a named insured who is not the policy or subscriber contract owner under an individual life policy, plan, or contract issued before August 1, 1979.*"

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1758: A bill for an act relating to health; requiring the licensing of wholesale drug distributors; providing penalties; appropriating money; amending Minnesota Statutes 1988, sections 151.06, subdivision 1; and 151.25; proposing coding for new law in Minnesota Statutes, chapter 151.

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

Page 4, delete section 3

Page 4, line 11, delete "[151.43]" and insert "[151.42]"

- Page 4, lines 12 and 16, delete "12" and insert "11"
- Page 4, line 13, after "or" insert "other" and delete "firm" and insert "enterprise"
- Page 4, line 15, delete "[151.44]" and insert "[151.43]"
- Page 5, line 33, delete "[151.45]" and insert "[151.44]"
- Page 6, lines 2, 4, 6, and 8, delete "shall" and insert "must"
- Page 6, line 5, delete "5" and insert "4"
- Page 6, lines 14, 26, and 34, delete "shall" and insert "may"
- Page 6, line 21, delete "[151.46]" and insert "[151.45]"
- Page 6, line 29, delete "[151.47]" and insert "[151.46]"
- Page 7, line 1, delete "shall" and insert "may"
- Page 7, line 12, delete "12" and insert "11"
- Page 7, line 24, delete "5" and insert "4"
- Page 7, line 25, delete "and" and insert a comma and delete "shall" and insert "must"
- Page 8, lines 18 and 31, delete "shall" and insert "must"
- Page 8, line 24, delete "shall control" and insert "controls"
- Page 8, line 25, delete "[151.48]" and insert "[151.47]"
- Page 8, line 33, delete "12 shall" and insert "11 does"
- Page 8, line 34, delete "change or"
- Page 9, line 14, delete "[151.49]" and insert "[151.48]"
- Page 9, line 16, before "Application" insert "The board shall mail"
- Page 9, lines 17 and 25, delete "12" and insert "11"
- Page 9, line 17, delete "shall be mailed"
- Page 9, line 18, delete "prior to" and insert "before"
- Page 9, line 21, delete "shall lapse" and insert "lapses" and delete "become" and insert "becomes"
- Page 9, line 23, delete "[151.50]" and insert "[151.49]"
- Page 9, lines 26 and 36, delete "shall" and insert "must"
- Page 9, line 30, delete "shall control" and insert "controls"
- Page 9, line 31, delete "[151.51]" and insert "[151.50]"
- Page 10, delete section 13
- Page 10, line 10, delete "12" and insert "11"
- Re-number the sections in sequence
- Amend the title as follows:
- Page 1, line 4, delete "appropriating money;"
- And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1104: A bill for an act relating to probate; adopting the uniform anatomical gift act (1987); correcting cross-references; amending Minnesota Statutes 1988, sections 65B.44, subdivision 4; 171.07, subdivision 5; and 390.36; proposing coding for new law in Minnesota Statutes, chapter 525; repealing Minnesota Statutes 1988, sections 525.921 to 525.93.

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

Page 1, lines 15 and 23, delete "18" and insert "25"

Page 2, line 27, delete "18" and insert "25"

Pages 2 and 3, delete section 4 and insert:

"Sec. 4. Minnesota Statutes 1988, section 525.921, subdivision 1, is amended to read:

Subdivision 1. [SCOPE.] For the purposes of sections ~~525.921 4~~ to ~~525.93 25~~ the terms defined in this section have the meanings given them.

Sec. 5. Minnesota Statutes 1988, section 525.921, is amended by adding a subdivision to read:

Subd. 1a. [ANATOMICAL GIFT.] "Anatomical gift" means a donation of all or part of a human body to take effect upon or after death.

Sec. 6. Minnesota Statutes 1988, section 525.921, is amended by adding a subdivision to read:

Subd. 3a. [DOCUMENT OF GIFT.] "Document of gift" means a card, a statement attached to or imprinted on a motor vehicle operator's or chauffeur's license, a will, or other writing used to make an anatomical gift.

Sec. 7. Minnesota Statutes 1988, section 525.921, subdivision 4, is amended to read:

Subd. 4. [DONOR.] "Donor" means an individual who makes a *an anatomical gift* of all or part of the individual's body.

Sec. 8. Minnesota Statutes 1988, section 525.921, is amended by adding a subdivision to read:

Subd. 4a. [ENUCLEATOR.] "Enucleator" means an individual who has completed a course in eye enucleation conducted and certified by the department of ophthalmology of any accredited college of medicine, and holds a valid certificate of competence for completing the course.

Sec. 9. Minnesota Statutes 1988, section 525.921, subdivision 5, is amended to read:

Subd. 5. [HOSPITAL.] "Hospital" means a ~~hospital facility~~ licensed, accredited, or approved as a *hospital* under the laws of any state; ~~includes or a facility operated as a hospital operated~~ by the United States government, a state, or a subdivision thereof, ~~although not required to be licensed under state laws of a state.~~

Sec. 10. Minnesota Statutes 1988, section 525.921, subdivision 8, is amended to read:

Subd. 8. [PHYSICIAN OR SURGEON.] "Physician" or "surgeon" means

a ~~physician or surgeon~~ *an individual licensed or otherwise authorized to practice medicine and surgery or osteopathy and surgery under the laws of any state.*

Sec. 11. Minnesota Statutes 1988, section 525.921, is amended by adding a subdivision to read:

Subd. 8a. [PROCUREMENT ORGANIZATION.] "Procurement organization" means a person licensed, accredited, or approved under the laws of any state for procurement, distribution, or storage of human bodies or parts.

Sec. 12. Minnesota Statutes 1988, section 525.921, is amended by adding a subdivision to read:

Subd. 10. [TECHNICIAN.] "Technician" means an individual who is appropriately trained to remove or process a part."

Page 3, line 36, delete "[525.942]" and insert "[525.9211]"

Page 4, line 2, after "is" delete "a" and insert "at" and after "age" insert ", or a minor with the written consent of a parent or legal guardian,"

Page 4, line 4, delete "9" and insert "17"

Page 4, line 7, delete "only" and after "a" insert "will or by a"

Page 4, line 34, delete "physician or surgeon" and insert "health care professional or member of the clergy"

Page 5, line 9, delete everything after the comma

Page 5, delete line 10

Page 5, line 11, delete everything before "any" and insert " or (ii)"

Page 5, line 17, delete "6" and insert "14"

Page 5, line 18, delete "7" and insert "15"

Page 5, line 24, delete "[525.943]" and insert "[525.9212]"

Page 5, line 29, delete ", at the time of death," and delete "an unrevoked" and insert "a"

Page 5, line 30, after "gift" insert "that is unrevoked at the time of death"

Page 6, line 23, after "make" insert "a decision as to"

Page 6, line 25, delete "[525.944]" and insert "[525.9213]"

Page 6, line 35, delete "6" and insert "14" and after "(a)" insert a comma

Page 7, line 3, delete "6" and insert "14"

Page 7, line 8, after the semicolon, insert "and"

Page 7, line 10, delete "; and" and insert a period

Page 7, delete line 11

Page 7, line 22, delete "[525.945]" and insert "[525.9214]"

Page 7, delete lines 24 to 35

Page 7, line 36, delete "(b)" and insert "(a)"

Page 8, line 1, after "no" insert "*documentation in the*"

Page 8, line 3, after "discuss" insert "*with the patient or a relative of the patient*"

Page 8, line 4, after "and" insert "may"

Page 8, line 5, delete everything after "section" and insert "13 or 14."

Page 8, line 6, delete everything before "The"

Page 8, line 10, delete "9" and insert "17"

Page 8, line 11, delete "and affiliation"

Page 8, line 13, delete "The"

Page 8, delete lines 14 and 15

Page 8, lines 16 and 28, delete "(c)" and insert "(b)"

Page 8, line 22, delete "and"

Page 8, line 23, after "hospital" insert "*or emergency care facility*" and after "admission" insert "*or presentation*"

Page 8, line 25, after "information" insert "; and

(3) a medical examiner or coroner upon receipt of a body"

Page 8, line 26, delete "(d)" and insert "(c)"

Page 8, line 32, delete "(e)" and insert "(d)"

Page 8, line 34, delete "6" and insert "14" and after "(a)" insert a comma

Page 8, line 35, delete "7" and insert "15"

Page 9, line 6, delete "(f)" and insert "(e)"

Page 9, line 7, delete "or" and insert "to" and delete "but" and insert a period

Page 9, delete line 8

Page 9, line 9, delete "[525.946]" and insert "[525.9215]"

Page 9, line 13, before "physician" insert "*nonprofit organization in medical education and research,*"

Page 9, line 19, delete "or"

Page 9, after line 19, insert:

"(3) an approved chiropractic college for education; or"

Page 9, line 20, delete "(3)" and insert "(4)"

Page 9, line 25, after "hospital" insert "*or procurement organization*"

Page 9, line 30, delete "6" and insert "14"

Page 9, line 32, delete "[525.947]" and insert "[525.9216]"

Page 10, line 8, delete "[525.948]" and insert "[525.9217]"

Page 10, line 11, delete "14" and insert "22"

Page 10, line 27, delete "5" and insert "13"

Page 10, line 32, delete “[525.949]” and insert “[525.9218]”

Page 10, line 33, delete “*Each hospital in this state*” and insert “*The organ procurement organizations*” and delete “*other*”

Page 10, line 34, delete “*and procurement organizations*”

Page 11, line 1, delete “[525.95]” and insert “[525.9219]”

Page 11, line 13, delete “[525.951]” and insert “[525.9220]”

Page 11, lines 17, 21, 30, 33, and 36, delete “18” and insert “25”

Page 11, line 29, delete “[525.952]” and insert “[525.9221]”

Page 11, line 34, delete “[525.953]” and insert “[525.9222]”

Page 12, lines 2 and 12, delete “18” and insert “25”

Page 12, delete lines 4 to 10

Page 12, line 11, delete “[525.955]” and insert “[525.9223]”

Page 12, line 15, before the first semicolon, insert “, *subdivision 2*”

Page 12, line 17, delete “*and*” and after “525.93” insert “, *and 525.94, as amended by Laws 1989, chapter 209, article 1, section 42*”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete “*and*” and after “390.36;” insert “*and 525.921, subdivisions 1, 4, 5, 8, and by adding subdivisions;*”

Page 1, line 7, before “*to*” insert “, *subdivision 2; and 525.922*”

Page 1, line 8, delete “525.93” and insert “525.94, *as amended*”

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1916: A bill for an act relating to public safety; making it a crime for a driver to flee a peace officer from another state into Minnesota; authorizing a peace officer of another state to enter Minnesota in fresh pursuit for misdemeanor offenses; authorizing the results of blood tests administered in another state into evidence at Minnesota civil and criminal trials; amending Minnesota Statutes 1988, section 609.487, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 626 and 634.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 609.487, subdivision 2, is amended to read:

Subd. 2. [PEACE OFFICER; DEFINITION.] For purposes of this section, “peace officer” means:

(1) an employee of a political subdivision or state law enforcement agency who is licensed by the Minnesota board of peace officer standards and training, charged with the prevention and detection of crime and the

enforcement of the general criminal laws of the state and who has the full power of arrest, and shall also include the Minnesota state patrol and Minnesota conservation officers-; or

(2) a member of a duly organized state, county, or municipal law enforcement unit of another state charged with the duty to prevent and detect crime and generally enforce criminal laws, and granted full powers of arrest.

Sec. 2. Minnesota Statutes 1988, section 626.65, is amended to read:

626.65 [UNIFORM LAW ON FRESH PURSUIT; RECIPROCAL.]

Any member of a duly organized state, county, or municipal peace unit of another state of the United States who enters this state in fresh pursuit, and continues within this state in such fresh pursuit, of a person in order to arrest the person on the ground that the person is believed to have committed a ~~felony~~ *traffic violation or crime* in such other state, shall have the same authority to arrest and hold such person in custody, as has any member of any duly organized state, county, or municipal peace unit of this state, to arrest and hold in custody a person on the ground that the person is believed to have committed a ~~felony~~ *traffic violation or crime* in this state; provided, the rights extended by this section shall be extended only to those states granting these same rights to peace officers of this state who may be in fresh pursuit of suspected criminals in such reciprocating states.

Sec. 3. Minnesota Statutes 1988, section 626.69, is amended to read:

626.69 [FRESH PURSUIT.]

The term "fresh pursuit," as used in sections 626.65 to 626.69, includes fresh pursuit as defined by the common law, and also the pursuit of a person who has committed a *traffic violation, misdemeanor or gross misdemeanor in the presence of a law enforcement officer, or a felony*, or who is reasonably suspected of having committed a *traffic violation, misdemeanor or gross misdemeanor in the presence of a law enforcement officer, or a felony*. It shall also include the pursuit of a person suspected of having committed a supposed felony, though no felony has actually been committed, if there is reasonable ground for believing that a felony has been committed. Fresh pursuit, ~~as used therein, shall~~ *does* not necessarily imply instant pursuit, but pursuit without unreasonable delay.

Sec. 4. [634.30] [EVIDENCE OBTAINED IN FOREIGN JURISDICTIONS.]

Relevant evidence shall not be excluded in any civil or criminal trial or hearing on the ground that it existed or was obtained outside of this state.

Sec. 5. [EFFECTIVE DATE.]

Sections 1, 2, and 3 are effective August 1, 1990, and apply to crimes committed on or after that date. Section 4 is effective August 1, 1990, and applies to trials and hearings beginning after that date."

Amend the title as follows:

Page 1, line 6, before "misdemeanor" insert "traffic and" and delete "results of blood"

Page 1, line 7, delete "tests administered" and insert "admissibility of relevant evidence obtained"

Page 1, line 9, delete "section" and insert "sections"

Page 1, line 10, after the semicolon, insert "626.65; 626.69;"

Page 1, line 11, delete "chapters 626 and" and insert "chapter"

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1757: A bill for an act relating to real estate; validating certain cancellation of contracts; providing for the effect of dissolution on joint tenancy; permitting the filing of summaries of dissolution judgments in real estate filings; amending Minnesota Statutes 1988, section 500.19, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 518 and 559; repealing Minnesota Statutes 1988, section 580.031.

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

Delete everything after the enacting clause and insert:

"Section 1. [315.121] [RELIGIOUS CORPORATIONS, CERTAIN CONVEYANCES VALIDATED.]

All conveyances executed by any religious corporation organized under this chapter, conveying real property within this state that were recorded prior to July 1, 1984, in the office of the county recorder or registrar of titles of the county in which the real estate conveyed is located, and the record of the conveyance, are legalized, validated, and confirmed, even though the church records do not disclose that the execution of the conveyance was authorized by the congregation of the religious corporation in the manner provided by law, or the record of the authorization has not been recorded in the office of the county recorder or registrar of titles of the county in which the real estate conveyed is located.

Sec. 2. Minnesota Statutes 1988, section 500.19, subdivision 5, is amended to read:

Subd. 5. [SEVERANCE OF ESTATES IN JOINT TENANCY.] A severance of a joint tenancy interest in real estate by a joint tenant shall be legally effective only if (1) the instrument of severance is recorded in the office of the county recorder or the registrar of titles in the county where the real estate is situated; or (2) the instrument of severance is executed by all of the joint tenants; or (3) the severance is ordered by a court of competent jurisdiction; or (4) a severance is effected pursuant to bankruptcy of a joint tenant. *A decree of dissolution of a marriage severs all joint tenancy interests in real estate between the parties to the marriage, except to the extent the decree declares that the parties continue to hold an interest in real estate as joint tenants.*

Sec. 3. Minnesota Statutes Second 1989 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), (13), (14), (15), and (17), 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, \$20;

(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, \$20;

(4) for the entry of each memorial on a certificate and endorsements upon duplicate CPTs, \$10;

(5) for issuing each mortgagee's or lessee's duplicate, \$10;

(6) for issuing each residue CPT, \$20;

(7) for exchange CPTs, \$10 for each CPT canceled and \$10 for each new CPT issued;

(8) for each certificate showing condition of the register, \$10;

(9) 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) 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) for filing two copies of any plat in the office of the registrar, \$30;

(12) for any other service under sections 508A.01 to 508A.85, the fee the court shall determine;

(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 paid in the same manner as the compensation of other county employees, \$50, plus \$10 to memorialize;

(14) 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) for filing a condominium plat or an amendment to it in accordance with chapter 515, \$30;

(16) 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) 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) 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, ~~\$50~~ *a fee established by the board of county commissioners of the county in which the land is located*;

(19) for filing a registered land survey in triplicate in accordance with section 508A.47, subdivision 4, \$30;

(20) for furnishing a certified copy of a registered land survey in accordance with section 508A.47, subdivision 4, §10.

Sec. 4. [518.191] [SUMMARY REAL ESTATE DISPOSITION JUDGMENT.]

Subdivision 1. [ABBREVIATED JUDGMENT AND DECREE.] If real estate is described in a judgment and decree of dissolution, the court may direct either of the parties or their legal counsel to prepare and submit to the court a proposed summary real estate disposition judgment. Upon approval by the court and filing of the summary real estate disposition judgment with the court administrator, the court administrator shall provide to any party upon request certified copies of the summary real estate disposition judgment.

Subd. 2. [REQUIRED INFORMATION.] A summary real estate disposition judgment must contain the following information: (1) the full caption and file number of the case and the title "Summary Real Estate Disposition Judgment"; (2) the dates of the parties' marriage and of the entry of the judgment and decree of dissolution; (3) the names of the parties' attorneys or if either or both appeared pro-se; (4) the name of the judge and referee, if any, who signed the order for judgment and decree; (5) whether the judgment and decree resulted from a stipulation, a default, or a trial and the appearances at the default or trial; (6) whether either party changed the party's name through the judgment and decree; (7) the legal description of each parcel of real estate; (8) the name or names of the persons awarded an interest in each parcel of real estate and a description of the interest awarded; (9) liens, mortgages, encumbrances, or other interests in the real estate described in the judgment and decree; and (10) triggering or contingent events set forth in the judgment and decree affecting the disposition of each parcel of real estate.

Subd. 3. [COURT ORDER.] An order or provision in a judgment and decree that provides that the judgment and decree must be recorded in the office of the county recorder or filed in the office of the registrar of titles means that the summary real estate disposition judgment must be recorded in the office of the county recorder or filed in the office of the registrar of titles.

Subd. 4. [TRANSFER OF PROPERTY.] The summary real estate disposition judgment operates as a conveyance and transfer of each interest in the real estate in the manner and to the extent described in the summary real estate disposition judgment.

Subd. 5. [CONFLICT.] If a conflict exists between the judgment and decree and the summary real estate disposition judgment, the summary real estate disposition judgment recorded in the office of the county recorder or filed in the office of the registrar of titles controls as to the interest acquired in real estate by any subsequent purchaser in good faith and for a valuable consideration, who is in possession of the interest or whose interest is recorded with the county recorder or registrar of titles, before the recording of the judgment and decree in the same office.

Sec. 5. [559.215] [CONTRACTS OF SALE; VALIDATING TERMINATIONS OF CONTRACT OF SALE.]

Every termination of a contract for the conveyance of real property or an interest in real property where service of notice of default is published for the first time or is served on the purchaser, or the purchaser's personal

representative or assigns before the date in section 6 is legal and valid as against the following objections:

(1) that prior to the service of notice of termination, no mortgage registration tax was paid on the contract, or an insufficient registration tax was paid on the contract;

(2) that the notice:

(i) did not correctly state the amount of attorney fees;

(ii) failed to state or incorrectly stated the names of one or more of the sellers, or the sellers' successors or assigns, or incorrectly described the interest or representative capacity of the person giving the notice;

(iii) was printed or typed in an incorrect type size; or

(iv) incorrectly stated the number of days after service that the contract will terminate, provided that the number of days stated is not less than 30 days;

(3) that the cancellation was commenced by less than all sellers; or

(4) that in the case of a termination by publication the notice was not served on all persons in possession of the real estate, provided it was served on at least one of those persons.

Sec. 6. [559.216] [EFFECTIVE DATES.]

The following dates apply to section 5:

(1) as to clause (2)(iv) and clause (3), August 1, 1985; and

(2) as to the general provisions of section 5, May 1, 1989.

Sec. 7. [REPEALER.]

Minnesota Statutes 1988, section 580.031, is repealed retroactive as of May 1, 1989.

Sec. 8. [EFFECTIVE DATES.]

Sections 1 and 5 do not affect any action or proceeding pending on their effective date or that is commenced before February 1, 1991, involving the validity of the termination or conveyance.

Section 7 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "validating certain conveyances by religious corporations; allowing county boards to set certain fees charged by the examiner of titles;"

Page 1, line 7, after the semicolon, insert "Minnesota Statutes Second 1989 Supplement, section 508A.82;"

Page 1, line 8, delete "518" and insert "315, 518,"

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2046: A bill for an act relating to crime victims; providing for a notice for victims of sexual assault concerning their risk of developing

sexually transmitted diseases; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 611A.

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

Page 1, line 17, delete everything after "with" and insert "*sexual assault victim advocates and health care professionals*"

Page 1, line 18, delete "*advocates*"

Page 2, delete section 2

Amend the title as follows:

Page 1, line 5, delete "appropriating money;"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1693: A bill for an act relating to human services; authorizing grant funds to establish pilot project sobering stations; increasing taxes on wine and dedicating certain revenues to a sobering station project account; appropriating money; amending Minnesota Statutes 1988, section 297C.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 254A.

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

Delete everything after the enacting clause and insert:

"Section 1. [254A.085] [PROJECT.]

Subdivision 1. [GRANT PROGRAMS ESTABLISHED.] The commissioner of human services shall establish and provide grant funds for the following chemical dependency projects: pilot project sobering station programs, a statewide detoxification transportation program, and other long-term programs to provide chemical dependency services.

Subd. 2. [SOBERING STATION PROGRAM REQUIREMENTS.] In order to be eligible for grant funds, a sobering station program must be licensed to provide detoxification services and must meet the following minimum requirements. The program must be located in a nonresidential area miles from the present location of other county detoxification service sites. The program must not be located within miles of any establishment licensed for the retail sale of alcoholic beverages. The program must be designed to serve the general public as well as the special needs of American Indian persons, as that term is defined in section 254A.02, subdivision 11, other minority population, and veterans, as that term is defined in section 197.447. The program must have available the services of trained medical personnel and must be designed to assess each client upon admission and refer for medical services as necessary. The program must provide special transport vans, staffed with persons trained to evaluate and transport intoxicated and drug-dependent persons. The program must provide on-site security designed to assure the health and safety of clients, staff, and neighborhood residents. The program must operate with the guidance of a neighborhood-based board. The board must include representatives of the following

groups: the American Indian community and other minority groups, veterans of military service, residents of neighborhoods in which detoxification centers are presently located, residents of the neighborhood in which the sobering station is sited, law enforcement, chemical dependency professionals, and elected officials representing the affected neighborhoods.

Subd. 3. [STATEWIDE DETOXIFICATION TRANSPORTATION PROGRAM.] The commissioner shall provide grants to counties, Indian reservations, other nonprofit agencies, or local detoxification programs for provision of transportation of intoxicated individuals to detoxification programs.

Sec. 2. [254A.086] [FUNDS TRANSFERRED.]

After July 1 of each year the commissioner of finance shall transfer the first \$ of revenue collected from the tax imposed by section 297C.02, subdivision 1, to the commissioner of human services for the purpose of providing grant funds for the pilot projects authorized by section 1.

Sec. 3. Minnesota Statutes 1988, section 297C.02, subdivision 1, is amended to read:

Subdivision 1. [DISTILLED SPIRITS AND WINE.] There is imposed on all distilled spirits and wine manufactured, imported, sold, or possessed in this state the following excise tax:

	Standard	Metric
(a) Distilled spirits, liqueurs, cordials, and specialties regardless of alcohol content (excluding ethyl alcohol)	\$5.03 per gallon	\$1.33 per liter
(b) Wine containing 14 Wine containing 21 percent or less alcohol by volume	\$.30 per gallon \$1.26 per gallon	\$.08 per liter \$.33 per liter
(c) Wine containing more than 14 percent but not more than 21 percent alcohol by volume	\$.95 per gallon	\$.25 per liter
(d) Wine containing more than 21 percent but not more than 24 percent alcohol by volume	\$1.82 per gallon	\$.48 per liter
(e) (d) Wine containing more than 24 percent alcohol by volume	\$3.52 per gallon	\$.93 per liter
(f) (e) Natural and artificial sparkling wines containing alcohol	\$1.82 per gallon	\$.48 per liter

The metric tax is imposed on all products taxable under this subdivision

when the net contents are stated in metric units of measure.

In computing the tax on a package of distilled spirits or wine a proportional tax at a like rate on all fractional parts of a gallon or liter must be paid, except that the tax on a fractional part of a gallon less than 1/16 of a gallon is the same as for 1/16 of a gallon.

The tax on miniatures of two fluid ounces or less or 50 milliliters or less is 14 cents.

The commissioner of revenue may establish by rule a date and procedure for the conversion of excise tax computation and reporting from rates expressed in gallons to rates expressed in metric volumes. The official conversion factor is one liter equals 0.264172 United States gallons."

Delete the title and insert:

"A bill for an act relating to human services; authorizing grant funds for chemical dependency services, including pilot project sobering stations and statewide detoxification transportation services; increasing taxes on wine; providing for the transfer of certain funds to the commissioner of human services; amending Minnesota Statutes 1988, section 297C.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 254A."

And when so amended the bill be re-referred to the Committee on Taxes and Tax Laws without recommendation. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1931: A bill for an act relating to human services; providing for drug abuse prevention, research, and treatment programs; appropriating money; proposing new law in Minnesota Statutes 1988, chapter 254A.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 254A.03, is amended by adding a subdivision to read:

Subd. 4. [RULE AMENDMENT.] The commissioner shall by emergency rulemaking amend Minnesota Rules, parts 9530.6600 to 9530.7030, in order to contain costs and increase collections for the consolidated chemical dependency treatment fund. The amendment must establish criteria that will:

(1) increase the use of outpatient treatment for individuals who can abstain from mood-altering chemicals long enough to benefit from outpatient treatment;

(2) increase the use of outpatient treatment in combination with primary residential treatment;

(3) increase the use of long-term treatment programs for individuals who are not likely to benefit from primary residential treatment; and

(4) limit the repeated use of residential placements for individuals who

have been shown not to benefit from residential placements, including long-term residential treatment.

Sec. 2. [254A.17] [PREVENTION AND TREATMENT INITIATIVES.]

Subdivision 1. [TRAINING.] The commissioner shall offer training in chemical dependency diagnostic and intervention services through appropriate human services programs managed by the department. Child care workers, social workers, and others shall be trained to recognize the symptoms of chemical abuse and dependency and respond with appropriate referrals or interventions.

Subd. 2. [ADDICTION RESEARCH.] The commissioner shall award grants to support research in the causes and mitigation of chemical addiction, coordinate these efforts with other related research, and disseminate the results.

Subd. 3. [MATERNAL AND CHILD SERVICE PROGRAMS.] 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.

Subd. 4. [CHILD PROTECTION PROGRAMS.] The commissioner shall fund innovative child protection programs for children and families at risk due to substance abuse. Funding of a program under this subdivision must result in (1) earlier intervention; (2) the provision of in-home supervision; and (3) case management of all services required. Programs must also include research and evaluation to identify methods most effective in child protection services for this high-risk population.

Subd. 5. [STATEWIDE DETOXIFICATION TRANSPORTATION PROGRAM.] The commissioner shall provide grants to counties, Indian reservations, other nonprofit agencies, or local detoxification programs for provision of transportation of intoxicated individuals to detoxification programs.

Sec. 3. Minnesota Statutes 1989 Supplement, section 254B.03, subdivision 4, is amended to read:

Subd. 4. [DIVISION OF COSTS.] Except for services provided by a county under section 254B.09, subdivision 1, or services provided under section 256B.69 or 256D.03, subdivision 4, paragraph (b), the county shall, out of local money, pay the state for 15 percent of the cost of chemical dependency services, including those services provided to persons eligible for medical assistance under chapter 256B and general assistance medical care under chapter 256D. Counties may use the indigent hospitalization levy for treatment and hospital payments made under this section. Fifteen percent of any state collections from private or third-party pay, less 15 percent of the cost of payment and collections, must be distributed to the county that paid for a portion of the treatment under this section. If all funds allocated according to section 254B.02 are exhausted by a county and the county has met or exceeded the base level of expenditures under section 254B.02, subdivision 3, the county shall pay the state for 15 percent of the costs paid by the state under this section. The commissioner may

refuse to pay state funds for services to persons not eligible under section 254B.04, subdivision 1, if the county financially responsible for the persons has exhausted its allocation.

Sec. 4. Minnesota Statutes 1988, section 254B.06, is amended by adding a subdivision to read:

Subd. 1a. [VENDOR COLLECTIONS.] The commissioner may amend Minnesota Rules, parts 9530.7000 to 9530.7025, to require a vendor of chemical dependency transitional and extended care rehabilitation services to collect the cost of care received under a program from an eligible person who has been determined to be partially responsible for treatment costs, and to remit the collections to the commissioner. The commissioner shall pay to a vendor for the collections an amount equal to five percent of the collections remitted to the commissioner by the vendor. The amendment may be adopted under the emergency rulemaking provisions of sections 14.29 to 14.36.

Sec. 5. Minnesota Statutes 1988, section 254B.08, is amended to read:
254B.08 [FEDERAL WAIVERS.]

The commissioner shall apply for any federal waivers necessary to secure, to the extent allowed by law, federal financial participation for the provision of services to persons who need chemical dependency services. The commissioner may seek amendments to the waivers or apply for additional waivers to contain costs. The commissioner shall ensure that payment for the cost of providing chemical dependency services under the federal waiver plan does not exceed the cost of chemical dependency services that would have been provided without the waived services.

~~Notwithstanding sections 254B.04 and 256B.02, subdivision 8, clause (18), and rules adopted under section 254B.03, subdivision 5, persons eligible under sections 256B.055, 256B.056, and 256B.06 for medical assistance benefits shall not be eligible for services reimbursed through the consolidated chemical dependency fund, except for transitional rehabilitation, extended care programs, and culturally specific programs as defined by Minnesota Rules, part 9530.6605, subpart 13, until the federal Social Security Act, section 2108 (1915B), program waivers are secured. Until the necessary federal program waivers are secured, persons eligible for medical assistance benefits under sections 256B.055, 256B.056, and 256B.06 shall be eligible for chemical dependency treatment services under sections 256B.02, subdivision 8, and 256B.0625.~~

Sec. 6. [STUDIES AND PLANS RELATING TO CHEMICAL DEPENDENCY TREATMENT.]

Subdivision 1. [TREATMENT PROGRAM ACCOUNTABILITY.] The commissioner of human services shall develop standards to provide increased accountability for chemical dependency treatment programs. The commissioner shall work in conjunction with treatment providers and clinicians. The commissioner shall report the results of this work to the legislature by January 1, 1992.

Subd. 2. [AFTERCARE SERVICES STUDY.] The commissioner of human services shall study funding and licensing options for providing aftercare services to high-risk or special need populations including, but not limited to, women, minorities, and adult and juvenile offenders. The commissioner shall present the results of this study and recommendations to the legislature

by January 1, 1991.

Subd. 3. [INDIAN YOUTH TREATMENT PLANNING.] The commissioner of human services shall develop a plan for the establishment of one or more treatment programs specializing in chemically dependent Indian youth. The commissioner shall involve diverse members of the Indian community in conducting this assessment and shall present recommendations to the legislature by January 1, 1991.

Subd. 4. [AFRICAN AMERICAN YOUTH TREATMENT PLANNING.] The commissioner of human services shall develop a plan for a program in the Summit-University area of St. Paul to address the culturally based drug prevention, treatment, and aftercare needs of high-risk youth. The commissioner shall involve existing neighborhood and governmental agencies in developing the plan and shall present recommendations to the legislature by January 1, 1991.

Sec. 7. [APPROPRIATIONS.]

\$3,160,000 is appropriated from the general fund to the commissioner of human services for fiscal year 1991 to carry out the provisions of sections 2 and 6. Of this amount, \$100,000 is for the provisions of section 2, subdivision 1; \$300,000 is for the provisions of section 2, subdivision 2; \$1,000,000 is for the provisions of section 2, subdivision 3; \$1,000,000 is for the provisions of section 2, subdivision 4; \$450,000 is for the provisions of section 2, subdivision 5; \$100,000 is for the provisions of section 6, subdivision 1; \$100,000 is for the provisions of section 6, subdivision 2; \$60,000 is for the provisions of section 6, subdivision 3; and \$50,000 is for the provisions of section 6, subdivision 4. The approved complement of the department is increased by 4.5 positions to carry out the provisions of sections 2 and 6.

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 7 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to human services; providing for drug and alcohol abuse prevention, research, and treatment programs; requiring rules; requiring reports; appropriating money; amending Minnesota Statutes 1988, sections 254A.03, by adding a subdivision; 254B.06, by adding a subdivision; and 254B.08; Minnesota Statutes 1989 Supplement, section 254B.03, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 254A."

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2073: A bill for an act relating to human services; clarifying case management services under medical assistance; specifying requirements for an individual service plan; requiring county boards to document unavailability of money for services to persons with mental retardation or related conditions; amending Minnesota Statutes 1988, section 256B.092, subdivisions 1a, 1b, and by adding subdivisions.

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

Page 1, line 14, strike "include" and insert "*are limited to*" and strike "an"

Page 1, line 16, strike "and" and insert "*specification of*" and strike the second comma

Page 1, line 17, strike "evaluating" and insert "*services, and the evaluation*" and after "monitoring" insert "*of*"

Page 1, line 26, after "*for*" insert "*an*" and delete "*services*" and insert "*component of the plan*"

Page 2, line 7, delete "*boards*" and insert "*agencies*"

Page 2, line 16, delete "*For purposes of this*" and insert "*Before a county denies, reduces, or terminates a service to an individual due to fiscal limitations, the*"

Page 2, line 17, delete "*section,*" and delete "*boards*" and insert "*agency*"

Page 2, lines 20, 28, and 31, delete "*board*" and insert "*agency*"

Page 2, line 33, delete "*board*" and insert "*agency*" and delete "*grants or*" and insert "*funds*"

Page 2, line 34, delete "*allocations,*"

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

Mrs. Lantry from the Committee on General Legislation and Public Gaming, to which were referred the following appointments as reported in the Journal for February 22, 1990:

BOARD OF THE ARTS

Richard Faricy
Dee Knaak

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mrs. Lantry from the Committee on General Legislation and Public Gaming, to which was referred the following appointment as reported in the Journal for February 12, 1990:

BOARD OF THE ARTS

Benjamin Vander Kooi, Jr.

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

SECOND READING OF SENATE BILLS

S.F. Nos. 1729, 1775, 1420, 1973, 158, 1897, 1871, 1754, 2109, 1675, 1851, 1967, 838, 2129, 1758, 1104, 1916, 1757 and 2046 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Frank moved that the name of Mr. Marty be added as a co-author to S.F. No. 1022. The motion prevailed.

Mr. Novak moved that the name of Mr. Moe, D.M. be added as a co-author to S.F. No. 1647. The motion prevailed.

Mr. Diessner moved that the name of Mrs. Pariseau be added as a co-author to S.F. No. 1967. The motion prevailed.

Mrs. Adkins moved that the name of Mr. Marty be added as a co-author to S.F. No. 2075. The motion prevailed.

Mr. Pogemiller moved that the name of Mr. Frederick be added as a co-author to S.F. No. 2081. The motion prevailed.

Ms. Reichgott moved that the name of Ms. Piper be added as a co-author to S.F. No. 2188. The motion prevailed.

Mr. Cohen moved that the name of Mr. Spear be added as a co-author to S.F. No. 2215. The motion prevailed.

Mr. Brandl moved that the names of Messrs. Benson and Storm be added as co-authors to S.F. No. 2244. The motion prevailed.

Mr. Kroening moved that the name of Mr. Chmielewski be added as a co-author to S.F. No. 2268. The motion prevailed.

Mr. Davis moved that the name of Mr. Novak be added as a co-author to S.F. No. 2284. The motion prevailed.

Ms. Reichgott moved that the name of Mr. Anderson be added as a co-author to S.F. No. 2290. The motion prevailed.

Mr. Waldorf moved that the name of Mr. Davis be added as a co-author to S.F. No. 2310. The motion prevailed.

Mr. Ramstad moved that S.F. No. 1007 be withdrawn from the Committee on Taxes and Tax Laws and returned to its author. The motion prevailed.

Mr. Pogemiller moved that S.F. No. 1653 be withdrawn from the Committee on Taxes and Tax Laws and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Johnson, D.E. introduced—

Senate Resolution No. 153: A Senate resolution congratulating the Melrose Girls Gymnastics Team who won the 1990 Region 6A Title.

Referred to the Committee on Rules and Administration.

Messrs. Moe, R.D.; Benson; Lessard; Merriam and Frederickson, D.R. introduced—

Senate Resolution No. 154: A Senate resolution designating and proclaiming April 22, 1990, as Earth Day 1990.

Referred to the Committee on Rules and Administration.

Mr. Schmitz moved that S.F. No. 1775, on General Orders, be stricken and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

CALENDAR

S.F. No. 1852: A bill for an act relating to judges; providing for the manner of filling vacancies in the office of judge; proposing coding for new law as Minnesota Statutes, chapter 480B.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Dahl	Johnson, D.E.	Mehrkens	Pogemiller
Beckman	Decker	Knaak	Merriam	Purfeerst
Belanger	Dicklich	Laidig	Metzen	Ramstad
Benson	Diessner	Langseth	Moe, D.M.	Reichgott
Berg	Flynn	Lantry	Moe, R.D.	Renneke
Berglin	Frederick	Larson	Morse	Schmitz
Bernhagen	Frederickson, D.J.	Lessard	Novak	Solon
Bertram	Frederickson, D.R.	Luther	Olson	Storm
Brandl	Freeman	Marty	Pariseau	Stumpf
Brataas	Gustafson	McGowan	Piepho	Vickerman
Cohen	Hughes	McQuaid	Piper	Waldorf

Those who voted in the negative were:

Adkins	Davis	Frank	Pehler	Samuelson
Chmielewski	DeCramer	Johnson, D.J.	Peterson, R.W.	Spear

So the bill passed and its title was agreed to.

S.F. No. 443: A bill for an act relating to health; establishing standards for the use of nitrous oxide in the practice of podiatric medicine; amending Minnesota Statutes 1988, section 153.01, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 153.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	Mehrkens	Purfeerst
Anderson	Davis	Johnson, D.E.	Metzen	Ramstad
Beckman	Decker	Johnson, D.J.	Moe, D.M.	Reichgott
Belanger	DeCramer	Knaak	Moe, R.D.	Renneke
Benson	Dicklich	Laidig	Morse	Samuelson
Berg	Diessner	Langseth	Novak	Schmitz
Berglin	Flynn	Lantry	Olson	Solon
Bernhagen	Frank	Larson	Pariseau	Spear
Bertram	Frederick	Lessard	Pehler	Storm
Brandl	Frederickson, D.J.	Luther	Peterson, R.W.	Stumpf
Brataas	Frederickson, D.R.	Marty	Piepho	Vickerman
Chmielewski	Freeman	McGowan	Piper	Waldorf
Cohen	Gustafson	McQuaid	Pogemiller	

So the bill passed and its title was agreed to.

CONSENT CALENDAR

S.F. No. 1922: A bill for an act relating to commerce; exempting credit unions from certain requirements for closing agents; amending Minnesota Statutes 1989 Supplement, section 82.20, subdivision 15.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	Mehrkens	Pogemiller
Anderson	Davis	Johnson, D.E.	Merriam	Purfeerst
Beckman	Decker	Johnson, D.J.	Metzen	Ramstad
Belanger	DeCramer	Knaak	Moe, D.M.	Reichgott
Benson	Dicklich	Laidig	Moe, R.D.	Renneke
Berg	Diessner	Langseth	Morse	Samuelson
Berglin	Flynn	Lantry	Novak	Schmitz
Bernhagen	Frank	Larson	Olson	Solon
Bertram	Frederick	Lessard	Pariseau	Spear
Brandl	Frederickson, D.J.	Luther	Pehler	Storm
Brataas	Frederickson, D.R.	Marty	Peterson, R.W.	Stumpf
Chmielewski	Freeman	McGowan	Piepho	Vickerman
Cohen	Gustafson	McQuaid	Piper	Waldorf

So the bill passed and its title was agreed to.

S.F. No. 1947: A bill for an act relating to highways; naming and designating as Moberg Trail that portion of Constitutional Route No. 46 located within Chisago county; amending Minnesota Statutes 1988, section 161.14, by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	Mehrkens	Pogemiller
Anderson	Davis	Johnson, D.E.	Merriam	Purfeerst
Beckman	Decker	Johnson, D.J.	Metzen	Ramstad
Belanger	DeCramer	Knaak	Moe, D.M.	Reichgott
Benson	Dicklich	Laidig	Moe, R.D.	Renneke
Berg	Diessner	Langseth	Morse	Samuelson
Berglin	Flynn	Lantry	Novak	Schmitz
Bernhagen	Frank	Larson	Olson	Solon
Bertram	Frederick	Lessard	Pariseau	Spear
Brandl	Frederickson, D.J.	Luther	Pehler	Stumpf
Brataas	Frederickson, D.R.	Marty	Peterson, R.W.	Vickerman
Chmielewski	Freeman	McGowan	Piepho	Waldorf
Cohen	Gustafson	McQuaid	Piper	

Mr. Storm voted in the negative.

So the bill passed and its title was agreed to.

GENERAL ORDERS

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

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

S.F. Nos. 1695, 1777, 1813, 1794, 1943, 1906 and 1783, which the committee recommends to pass.

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

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Laidig introduced—

S.F. No. 2339: A bill for an act relating to taxation; authorizing a special levy for the city of Bayport library.

Referred to the Committee on Taxes and Tax Laws.

Mr. Laidig introduced—

S.F. No. 2340: A bill for an act relating to taxation; property; expanding the definition of agricultural land to include land used to board horses; amending Minnesota Statutes Second 1989 Supplement, section 273.13, subdivision 23.

Referred to the Committee on Taxes and Tax Laws.

Ms. Piper introduced—

S.F. No. 2341: A bill for an act relating to human services; requiring an agreement between a county of financial responsibility and a host county; amending Minnesota Statutes 1988, section 256B.092, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Messrs. Pehler, Morse, Langseth, Decker and Piepho introduced—

S.F. No. 2342: A bill for an act relating to education; establishing the state university endowment fund; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 136.

Referred to the Committee on Education.

Messrs. Merriam, Dahl, Novak, Luther and McGowan introduced—

S.F. No. 2343: A bill for an act relating to education; providing for an equalized aid and levy for exceptional need; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

Referred to the Committee on Education.

Messrs. Merriam, Dahl, Novak, Luther and McGowan introduced—

S.F. No. 2344: A bill for an act relating to education; changing the weighting of certain AFDC pupil units; appropriating money; amending Minnesota Statutes 1988, section 124.17, subdivision 1b.

Referred to the Committee on Education.

Mr. Bertram introduced—

S.F. No. 2345: A bill for an act relating to farm safety; providing for a pilot project of comprehensive farm safety audits; extending the availability of a previous appropriation; appropriating money; amending Laws 1989, chapter 350, article 17, section 1, subdivision 5.

Referred to the Committee on Agriculture and Rural Development.

Mr. Beckman introduced—

S.F. No. 2346: A bill for an act relating to the state building code; accessibility for the physically disabled; establishing an access review board; providing for review of applications for permission to provide accessibility by means of stairway chair lifts; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 471.

Referred to the Committee on Governmental Operations.

Mr. Solon introduced—

S.F. No. 2347: A bill for an act relating to environmental protection; approving state membership in the Great Lakes Protection Fund.

Referred to the Committee on Environment and Natural Resources.

Mr. Stumpf introduced—

S.F. No. 2348: A bill for an act relating to natural resources; appropriating money for floodwater retention on the Red Lake River; authorizing the sale of state bonds.

Referred to the Committee on Environment and Natural Resources.

Mr. Samuelson, Mrs. Adkins, Messrs. Solon and Frederick introduced—

S.F. No. 2349: A bill for an act relating to insurance; no-fault automobile; regulating uninsured and underinsured motorist coverages for motorcycles; amending Minnesota Statutes 1989 Supplement, section 65B.49, subdivision 3a.

Referred to the Committee on Commerce.

Ms. Flynn introduced—

S.F. No. 2350: A bill for an act relating to public employees; defining the term "employee" for the purpose of the public employees labor relations act; amending Minnesota Statutes 1988, section 179A.03, subdivision 14.

Referred to the Committee on Governmental Operations.

Mr. Brandl introduced—

S.F. No. 2351: A bill for an act proposing an amendment to the Minnesota Constitution, article VII, section 6; limiting consecutive years of service in elective office.

Referred to the Committee on Elections and Ethics.

Mr. Metzen introduced—

S.F. No. 2352: A bill for an act relating to education; permitting a school district levy for chemical abuse prevention; amending Minnesota Statutes 1988, section 275.125, by adding a subdivision.

Referred to the Committee on Education.

Ms. Piper and Mr. Samuelson introduced—

S.F. No. 2353: A bill for an act relating to vocational rehabilitation; providing for supported employment programs; amending Minnesota Statutes 1988, section 129A.01, subdivisions 11, 12, and by adding a subdivision.

Referred to the Committee on Employment.

Mr. Pogemiller introduced—

S.F. No. 2354: A bill for an act relating to education; allowing pupils of at least age 16 a greater range of programs to attend under the high school graduation incentives and private alternative school programs; amending Minnesota Statutes 1989 Supplement, sections 126.22, subdivision 3; and 126.23.

Referred to the Committee on Education.

Mr. Marty introduced—

S.F. No. 2355: A bill for an act relating to statutes of limitations; establishing a three-year time limit to bring an action for penalty or forfeiture for violation of certain environmental statutes; amending Minnesota Statutes 1989 Supplement, section 541.07; proposing coding for new law in Minnesota Statutes, chapter 575.

Referred to the Committee on Judiciary.

Mr. Vickerman introduced—

S.F. No. 2356: A bill for an act relating to transportation; providing greater restrictions on eligibility of debarred persons for certain public contracts; allowing regional development commissions to receive state financial assistance for public transit programs; increasing scope of interstate motor carrier registration agreements; amending Minnesota Statutes 1988, sections 161.315, subdivisions 2 and 3; 174.24, subdivision 2; 174.32, subdivision 3; Minnesota Statutes 1989 Supplement, section 221.601, subdivision 1.

Referred to the Committee on Transportation.

Mr. Storm, Ms. Olson, Messrs. Knaak; Frederickson, D.R. and Johnson, D.E. introduced—

S.F. No. 2357: A bill for an act relating to insurance; accident and health; requiring the commissioner of commerce to administer health care plans for Minnesota residents who are not covered by other plans; establishing minimum benefits for these plans; allowing a tax credit for premiums paid for coverage; appropriating money; amending Minnesota Statutes 1988, sections 290.92, subdivision 5; and 290.93, subdivision 4; Minnesota Statutes 1989 Supplement, sections 290.01, subdivision 19a; and 290.92, subdivision 5a; proposing coding for new law in Minnesota Statutes, chapter

290; proposing coding for new law as Minnesota Statutes, chapter 62K.

Referred to the Committee on Commerce.

Mr. Samuelson introduced—

S.F. No. 2358: A bill for an act relating to retirement; increasing retirement and survivor benefits for certain retired members of the Brainerd police relief association and surviving spouses and children of deceased members.

Referred to the Committee on Governmental Operations.

Mrs. Adkins introduced—

S.F. No. 2359: A bill for an act relating to lawful gambling; allowing as lawful purposes certain expenditures for erection or acquisition of real property; amending Minnesota Statutes Second 1989 Supplement, section 349.12, subdivision 11.

Referred to the Committee on General Legislation and Public Gaming.

Mr. Beckman introduced—

S.F. No. 2360: A bill for an act relating to economic development; clarifying the appointing authority for the board of the Minnesota Project Outreach Corporation; requiring duties of the Minnesota Project Outreach Corporation; requiring notification under the capital access program; removing the requirement that employees of the Greater Minnesota Corporation file statements of economic interest; amending Minnesota Statutes 1989 Supplement, sections 116J.691, subdivisions 2 and 4; 116J.8766 by adding a subdivision; and 116O.03, subdivision 11.

Referred to the Committee on Economic Development and Housing.

Mr. Pogemiller, Ms. Flynn, Mr. Spear, Ms. Berglin and Mr. Kroening introduced—

S.F. No. 2361: A bill for an act relating to retirement; Minneapolis municipal employees; consolidating funds within the fund, excluding CETA employees; removing mandatory retirement age; establishing a bounce-back annuity; increasing survivor benefits; amending Minnesota Statutes 1988, sections 422A.06, subdivisions 1, 3, 5, 6, and 8; 422A.09, subdivision 3; 422A.13, subdivision 2; 422A.17; and 422A.23, subdivisions 2, 6, 9, and 10; proposing coding for new law in Minnesota Statutes, chapter 422A.

Referred to the Committee on Governmental Operations.

Messrs. DeCramer, Anderson, Larson and Decker introduced—

S.F. No. 2362: A bill for an act relating to agriculture; removing certain counties from designated potato council areas; amending Minnesota Statutes 1988, section 17.54, subdivision 9.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Ramstad and Benson introduced—

S.F. No. 2363: A bill for an act relating to game and fish; authorizing licensing of family shooting preserves; appropriating license fees; proposing coding for new law in Minnesota Statutes, chapter 97A.

Referred to the Committee on Environment and Natural Resources.

Mr. Ramstad and Ms. Reichgott introduced—

S.F. No. 2364: A bill for an act relating to real estate; giving effect to antenuptial agreements with respect to real estate; amending Minnesota Statutes 1988, section 507.02.

Referred to the Committee on Judiciary.

Mr. Spear introduced—

S.F. No. 2365: A bill for an act relating to retirement; providing for purchases of prior service credit from the public employees retirement association.

Referred to the Committee on Governmental Operations.

Mr. Piepho introduced—

S.F. No. 2366: A bill for an act relating to the city of Mankato; permitting the adoption of certain ordinances and regulations.

Referred to the Committee on Local and Urban Government.

Mr. Piepho introduced—

S.F. No. 2367: A bill for an act relating to the city of Mankato; enlarging the city's authority to control the towing of vehicles.

Referred to the Committee on Local and Urban Government.

Messrs. Piepho and Frederickson, D.R. introduced—

S.F. No. 2368: A bill for an act relating to education; appropriating money for capital improvements at the Mankato campus of the state university system; authorizing the sale of state bonds.

Referred to the Committee on Education.

Messrs. Ramstad, Belanger, Storm, Knutson and Mrs. McQuaid introduced—

S.F. No. 2369: A bill for an act proposing an amendment to the Minnesota Constitution, article X, section 1; providing for a single tax rate on residential homesteads.

Referred to the Committee on Taxes and Tax Laws.

Ms. Berglin introduced—

S.F. No. 2370: A bill for an act relating to human services; revising and clarifying the duties and powers of the ombudsman for mental health and mental retardation; amending Minnesota Statutes 1989 Supplement, section 245.94, subdivision 1.

Referred to the Committee on Health and Human Services.

Mr. Metzen introduced—

S.F. No. 2371: A bill for an act relating to capital improvements; providing for emergency capital expenses at Inver Hills Community College; authorizing sale of state bonds; appropriating money.

Referred to the Committee on Finance.

Mr. Pehler introduced—

S.F. No. 2372: A bill for an act relating to retirement; providing survivor benefits to certain spouses of deceased former state correctional employees.

Referred to the Committee on Governmental Operations.

Mrs. Brataas introduced—

S.F. No. 2373: A bill for an act relating to Olmsted county; permitting the consolidation of the offices of auditor and treasurer.

Referred to the Committee on Local and Urban Government.

Mr. Diessner and Mrs. Lantry introduced—

S.F. No. 2374: A bill for an act relating to health; requiring health clubs to have staff trained in cardiopulmonary resuscitation; proposing coding for new law in Minnesota Statutes, chapter 145.

Referred to the Committee on Health and Human Services.

Mr. Chmielewski introduced—

S.F. No. 2375: A bill for an act relating to workers' compensation; providing for loggers; requiring the commissioner of labor and industry to study issues concerning loggers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 176.

Referred to the Committee on Employment.

Messrs. Merriam, Chmielewski and Frank introduced—

S.F. No. 2376: A bill for an act relating to housing; providing a loan program to repair damages to houses caused by certain drought-caused soil conditions; appropriating money.

Referred to the Committee on Economic Development and Housing.

Mr. Lessard introduced—

S.F. No. 2377: A bill for an act relating to human services; allowing a nursing care facility attached to a nonprofit hospital that has suspended operations to continue its status as a hospital-attached convalescent and nursing care facility for purposes of medical assistance reimbursement; amending Minnesota Statutes 1988, section 256B.431, subdivision 3e.

Referred to the Committee on Health and Human Services.

Mr. Anderson introduced—

S.F. No. 2378: A bill for an act relating to transportation; directing commissioner of transportation to erect sign.

Referred to the Committee on Transportation.

Messrs. Solon, Metzen and Purfeerst introduced—

S.F. No. 2379: A bill for an act relating to retirement; establishing a maximum monthly benefit for the surviving spouse and dependent children of basic pension plan members; amending Minnesota Statutes 1988, section 353.31, subdivision 1.

Referred to the Committee on Governmental Operations.

Messrs. Frederickson, D.R.; Knaak; Decker; Mrs. Pariseau and Mr. Piepho introduced—

S.F. No. 2380: A bill for an act relating to environment and natural resources; authorizing the issuance of state bonds and expenditure of their proceeds for wastewater treatment grants and the reinvest in Minnesota program; and appropriating money.

Referred to the Committee on Environment and Natural Resources.

Mr. Purfeerst introduced—

S.F. No. 2381: A bill for an act relating to highways; substituting new Legislative Route No. 298 in the trunk highway system.

Referred to the Committee on Transportation.

Messrs. Dicklich, Merriam, Marty, Storm and Samuelson introduced—

S.F. No. 2382: A bill for an act relating to energy conservation; appropriating oil overcharge money for energy conservation projects that directly serve low-income Minnesotans; amending Minnesota Statutes 1988, section 4.071; and Laws 1989, chapter 338, section 11; repealing Laws 1989, chapter 338, section 11, subdivisions 1 and 3.

Referred to the Committee on Finance.

Mr. Bertram introduced—

S.F. No. 2383: A bill for an act relating to the city of Upsala; permitting the establishment of a boundary commission.

Referred to the Committee on Local and Urban Government.

Ms. Flynn, Messrs. Vickerman, Solon, Morse and Frederickson, D.J. introduced—

S.F. No. 2384: A bill for an act relating to insurance; regulating coverages under Medicare supplement plans; requiring insurers to submit claims experience and earned premiums data; amending Minnesota Statutes 1988, 62A.36, by adding a subdivision; Minnesota Statutes 1989 Supplement, 62A.31, subdivision 2; 62A.315; and 62A.316.

Referred to the Committee on Commerce.

Mr. Marty introduced—

S.F. No. 2385: A bill for an act relating to utilities; providing for enforcement of regulations on telephone and telegraph companies; imposing penalties; proposing coding for new law in Minnesota Statutes, chapter 237.

Referred to the Committee on Public Utilities and Energy.

Mr. Cohen, Mrs. Lantry and Mr. Moe, D.M. introduced—

S.F. No. 2386: A bill for an act relating to elections; independent school district No. 625; requiring the election of board members by an alley system.

Referred to the Committee on Elections and Ethics.

Mr. Marty introduced—

S.F. No. 2387: A bill for an act relating to utilities; placing position of program administrator of telecommunication access for communication-impaired persons board in the unclassified service; amending Minnesota Statutes 1988, section 237.51, subdivision 5.

Referred to the Committee on Governmental Operations.

Messrs. Pehler, Hughes, Morse, Knutson and Frederickson, D.J. introduced—

S.F. No. 2388: A bill for an act relating to education; establishing a program to improve learning and understanding of other peoples and cultures; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 129.

Referred to the Committee on Education.

Messrs. Pehler and Stumpf introduced—

S.F. No. 2389: A bill for an act relating to education; requiring all teachers to have the same amount of preparation time and instructional time; proposing coding for new law in Minnesota Statutes, chapter 125.

Referred to the Committee on Education.

Mr. McGowan and Mrs. Pariseau introduced—

S.F. No. 2390: A bill for an act relating to crimes; prohibiting certain adoptions without agency placement; prohibiting certain payments in connection with adoption, child placement, or termination of parental rights; proposing standards for certain placement waivers; providing penalties; amending Minnesota Statutes 1988, sections 144.215, by adding a subdivision; and 259.22, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Health and Human Services.

Mr. Marty introduced—

S.F. No. 2391: A bill for an act relating to commerce; regulating trade practices; prohibiting contracts from providing an exclusive right to display free newspapers for distribution in any place of public accommodation; proposing coding for new law in Minnesota Statutes, chapter 325E.

Referred to the Committee on Commerce.

Ms. Flynn introduced—

S.F. No. 2392: A bill for an act relating to insurance; prohibiting the reduction of limits of liability by the costs of defense in certain liability policies; providing exceptions; amending Minnesota Statutes 1989 Supplement, section 60A.08, subdivision 13.

Referred to the Committee on Commerce.

Messrs. Decker; Anderson; Moe, R.D.; Renneke and Larson introduced—

S.F. No. 2393: A resolution memorializing the Congress and President of the United States to authorize a United States postage stamp commemorating the centennial of the founding of Itasca State Park and the Minnesota State Park System.

Referred to the Committee on Environment and Natural Resources.

Ms. Flynn, Messrs. McGowan, Ramstad, Ms. Reichgott and Mr. Morse introduced—

S.F. No. 2394: A bill for an act relating to education; providing for the arbitration of disputes concerning the proposed termination or discharge of teachers following the probationary period; amending Minnesota Statutes 1988, sections 125.12, by adding a subdivision; and 125.17, by adding a subdivision; Minnesota Statutes 1989 Supplement, section 179.20, subdivision 4.

Referred to the Committee on Governmental Operations.

Mr. Chmielewski introduced—

S.F. No. 2395: A bill for an act relating to unemployment compensation; making various technical changes; regulating eligibility of conservation corps members and entertainers; increasing the income disregard; regulating eligibility for persons receiving holiday pay; regulating administrative hearings; providing for data sharing; appropriating certain federal money; amending Minnesota Statutes 1988, sections 268.08, subdivision 3; 268.10, subdivision 9; and 268.12, subdivision 13; Minnesota Statutes 1989 Supplement, sections 84.965, subdivision 2; 84.98, subdivision 5; 268.04, subdivision 12; 268.07, subdivision 2; 268.12, subdivision 12; 270B.14, subdivisions 2 and 8; and 290.92, subdivision 21.

Referred to the Committee on Employment.

Mr. Morse introduced—

S.F. No. 2396: A bill for an act relating to the environment; regulating the disposition of property acquired for response action; amending Minnesota Statutes 1988, section 115B.17, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Mr. Hughes introduced—

S.F. No. 2397: A bill for an act relating to education; establishing a grant program for ten development and learning center demonstration sites; appropriating money.

Referred to the Committee on Education.

Mr. Dicklich introduced—

S.F. No. 2398: A bill for an act relating to education; allowing a school district in the northeast educational cooperative service unit to levy for its share of the deficit.

Referred to the Committee on Education.

Mr. Peterson, R. W. introduced—

S.F. No. 2399: A bill for an act relating to the revenue recapture act; expanding the definition of claimant agency; amending Minnesota Statutes 1988, section 270A.03, subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Metzen and Novak introduced—

S.F. No. 2400: A bill for an act relating to traffic regulations; establishing penalties for driving past railroad crossing warning devices; providing for instruction in railroad crossing safety at driver improvement clinics; establishing standards and procedures for closing a railroad crossing; stipulating the adequacy of crossing devices; imposing penalties; amending Minnesota Statutes 1988, sections 169.26; and 169.973, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 219; repealing Minnesota Statutes 1988, sections 219.27 and 219.28; and Minnesota Statutes 1989 Supplement, section 219.072.

Referred to the Committee on Transportation.

Mr. Diessner, Mrs. Lantry, Mr. Solon and Ms. Berglin introduced—

S.F. No. 2401: A bill for an act relating to taxation; property; providing for the repeal of levy limits for taxes levied in 1991 for certain counties; amending Laws 1989, First Special Session chapter 1, article 5, section 52.

Referred to the Committee on Taxes and Tax Laws.

Mr. Brandl introduced—

S.F. No. 2402: A bill for an act relating to human services; requiring disclosure of conclusions of the child mortality review panel; amending Minnesota Statutes 1989 supplement, section 256.01, subdivision 12.

Referred to the Committee on Health and Human Services.

Mr. Freeman introduced—

S.F. No. 2403: A bill for an act relating to commerce; removing a real estate licensing prohibition; amending Minnesota Statutes 1988, section 82.20, subdivision 4.

Referred to the Committee on Commerce.

Mr. Beckman introduced—

S.F. No. 2404: A bill for an act relating to human services; increasing payment rates for medical providers; providing a wage increase for staff of nursing homes, intermediate care facilities, developmental achievement centers, and waived service providers.

Referred to the Committee on Health and Human Services.

Mr. Mehrkens introduced—

S.F. No. 2405: A bill for an act relating to Wabasha county; providing for transfer of certain reassessment costs; transferring certain department of revenue funds to the reassessment account in the special revenue fund.

Referred to the Committee on Taxes and Tax Laws.

Mrs. McQuaid introduced—

S.F. No. 2406: A bill for an act relating to education; increasing parental involvement; expanding eligibility for early childhood family education programs; encouraging the use of elementary school counselors; creating a new state aid; increasing the formula allowance; creating a parental involvement day; requiring a day off from work; requiring the board of teaching to adopt rules; creating tax credits; appropriating money; amending Minnesota Statutes 1988, sections 124.2711, subdivision 2; 124A.29, subdivision 1; 181.940, subdivision 3, and by adding subdivisions; and 290.06, by adding subdivisions; Minnesota Statutes 1989 Supplement, sections 121.882, subdivision 2; 124.2711, subdivision 1; and 124A.22, subdivision 2; Laws 1989, chapter 329, article 1, section 17, subdivision 2, as amended; and article 4, section 19, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 123; 124A; and 181.

Referred to the Committee on Education.

Mr. Dahl introduced—

S.F. No. 2407: A bill for an act relating to animals; making certain presumptions about manufactured home park rules that prohibit residents over 55 from keeping certain pets; amending Minnesota Statutes 1988, section 327C.05, subdivision 2.

Referred to the Committee on Economic Development and Housing.

Mr. Dahl introduced—

S.F. No. 2408: A bill for an act relating to natural resources; authorizing the commissioner to designate agents to sell state park permits; amending Minnesota Statutes 1988, section 85.053, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Mr. Marty introduced—

S.F. No. 2409: A bill for an act relating to taxation; providing that certain charitable contribution deductions are not included in alternative minimum taxable income; amending Minnesota Statutes Second 1989 Supplement, section 290.091, subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Mr. Pogemiller introduced—

S.F. No. 2410: A bill for an act relating to taxation; reducing the class rates applicable to residential property; providing equalization aid; providing a homestead effective tax credit; appropriating money; amending Minnesota Statutes 1988, section 290A.04, by adding a subdivision; Minnesota Statutes Second 1989 Supplement, sections 273.13, subdivisions 22 and 25; 275.07, subdivision 3; and 290A.04, subdivision 2h; proposing coding for new law in Minnesota Statutes, chapter 273.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Frederickson, D.J.; Davis; Johnson, D.E.; Beckman and Anderson introduced—

S.F. No. 2411: A bill for an act relating to county and district agricultural societies; providing supplemental funding for fiscal year 1991; appropriating money.

Referred to the Committee on Finance.

Messrs. Moe, D.M.; Knaak; Freeman; Ramstad and Pogemiller introduced—

S.F. No. 2412: A bill for an act relating to state government; requiring the state board of investment to invest certain assets currently managed by the commerce department; amending Minnesota Statutes 1988, section 79.251, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. Morse and Peterson, R.W. introduced—

S.F. No. 2413: A bill for an act relating to education; establishing a planning committee for the Minnesota World Math and Science School; appropriating money.

Referred to the Committee on Education.

Messrs. Morse and Frederickson, D.J. introduced—

S.F. No. 2414: A bill for an act relating to retirement; teachers retirement association; authorizing the purchase of credit for pre-1957 pre-age 25 teaching service; amending Laws 1988, chapter 709, article 3, section 1, subdivision 1.

Referred to the Committee on Governmental Operations.

Mr. Morse introduced—

S.F. No. 2415: A bill for an act relating to economic development; establishing a government procurement assistance program; appropriating money.

Referred to the Committee on Economic Development and Housing.

Mr. Morse introduced—

S.F. No. 2416: A bill for an act relating to capital improvements; providing for capital expenses at Winona Technical College; authorizing sale of state bonds; appropriating money.

Referred to the Committee on Finance.

Ms. Berglin introduced—

S.F. No. 2417: A bill for an act relating to human services; long-term care; establishing methods to determine recommended rates for day training and habilitation services; allowing a waiver for personal care services; clarifying definitions of certain facilities; establishing requirements for home care services; exempting certain persons from preadmission nursing home screening; clarifying allocations for alternative care grants; establishing limits on the investment per bed for newly constructed or established long-term care facilities; clarifying eligibility requirements for continued services; amending Minnesota Statutes 1988, sections 256B.04, subdivision 16; 256B.055, subdivision 12; 256B.091, subdivisions 4 and 6; 256B.48, subdivision 2; 256B.49, by adding a subdivision; 256B.50, subdivisions 1 and 1b; and 256B.501, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 252.46, subdivision 4; 256B.091, subdivision 8; and 256B.495, subdivision 1; Laws 1988, chapter 689, article 2, section 256, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 256B.

Referred to the Committee on Health and Human Services.

Mr. Peterson, R.W. introduced—

S.F. No. 2418: A bill for an act relating to data privacy; regulating the collection, classification, and dissemination of data by the department of labor and industry; amending Minnesota Statutes 1988, sections 13.79; 175.24; 175.27; 176.401; and 182.659, subdivision 8, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 176; repealing Minnesota Statutes 1988, sections 175.10; and 176.231, subdivision 8; Minnesota Statutes 1989 Supplement, section 176.231, subdivision 9.

Referred to the Committee on Judiciary.

Mrs. Lantry introduced—

S.F. No. 2419: A bill for an act relating to human services; clarifying requirements for employment and training programs for recipients of AFDC; allowing county agencies to implement grant diversion programs; clarifying eligibility and payment requirements for general assistance and work readiness; clarifying requirements for child care programs; establishing criteria to certify employment and training service provider; requiring a two-year

plan from the local service unit; amending Minnesota Statutes 1988, sections 256.73, subdivision 2; 256.736, subdivisions 1a, 2a, and 3a; 256.7365, subdivision 2; 256D.02, subdivisions 5, 8, and 12; 256D.052, subdivision 5; 256D.06, subdivision 2; 256H.10, subdivisions 1 and 4; 256H.16; 256H.17; 268.673, subdivisions 3 and 5; 268.6751, subdivision 1; 268.676, subdivision 2; 268.677, subdivisions 2 and 3; 268.678; 268.681, subdivisions 1, 2, and 3; 268.86, subdivision 8; 268.871, subdivisions 1, 2, and by adding a subdivision; 268.90, subdivisions 1, 3, and 4; Minnesota Statutes 1989 Supplement, sections 256.73, subdivision 3a; 256.736, subdivisions 3, 3b, 4, 10, 10a, 11, 14, 16, and 18; 256.737, subdivisions 1 and 2; 256D.01, subdivision 1a; 256D.051, subdivisions 1a, 1b, 2, 3, and 8; 256H.01, subdivisions 7, 8, and 12; 256H.03, subdivisions 2, 2a, and 2b; 256H.05, subdivisions 1b, 1c, 2, and 5; 256H.08; 256H.09, subdivision 1; 256H.10, subdivision 3; 256H.11, subdivision 1; 256H.15, subdivisions 1 and 2; 256H.21, subdivision 9; 256H.22, subdivisions 2, 3, and 10; 268.0111, subdivision 4; 268.86, subdivision 2; 268.88; 268.881; Minnesota Statutes Second 1989 Supplement, section 256D.03, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 256; repealing Minnesota Statutes 1988, sections 256.736, subdivisions 1b, 8, and 17; 256.7365, subdivision 8; 256D.06, subdivision 1c; 256H.01, subdivision 14; 256H.05, subdivisions 1, 1a, and 3a; 268.672, subdivision 12; 268.86, subdivision 9; and 268.872, subdivision 3.

Referred to the Committee on Health and Human Services.

Messrs. Frederickson, D.J.; Benson; Freeman; Pogemiller and DeCramer introduced—

S.F. No. 2420: A bill for an act relating to education; authorizing a grant for the way to grow/school readiness program; appropriating money.

Referred to the Committee on Education.

Mr. Luther introduced—

S.F. No. 2421: A bill for an act relating to elections; presidential primary; changing the primary date; changing the requirements for being a candidate at the primary; allowing voters to prefer uncommitted delegates; allowing write-in votes; providing for voter receipt of ballots; eliminating the provision that the primary winner is the party's endorsed candidate; changing the apportionment of party delegates; requiring provision of certain information to interested persons; amending Minnesota Statutes 1989 Supplement, sections 207A.01; 207A.02, subdivision 1; 207A.03; and 207A.06; proposing coding for new law in Minnesota Statutes, chapter 207A; repealing Minnesota Statutes 1989 Supplement, section 207A.05.

Referred to the Committee on Elections and Ethics.

Messrs. Lessard, Morse, Berg and Mrs. Pariseau introduced—

S.F. No. 2422: A bill for an act relating to finance; rolling back game and fish license increases; reversing transfers and appropriations made from the game and fish fund to the general fund; appropriating money; amending Minnesota Statutes 1989 Supplement, sections 97A.165 and 97A.475, subdivisions 2, 3, 6, 7, 8, 11 to 21, and 23 to 42; amending Laws 1989, chapter 335, article 1, sections 1 and 21, subdivisions 1, 6, and 11; and article 4, section 106, subdivision 3.

Referred to the Committee on Environment and Natural Resources.

Messrs. Luther, Pehler, Davis, Samuelson and Cohen introduced—

S.F. No. 2423: A bill for an act relating to courts; authorizing 12 additional trial court judgeships; correcting references to the number of trial court judgeships provided in law; amending Minnesota Statutes 1988, section 2.722, subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Metzen, Solon and Frederick introduced—

S.F. No. 2424: A bill for an act relating to insurance; life; regulating policies with accelerated benefits; modifying the application of certain provisions; prescribing a penalty; amending Minnesota Statutes 1989 Supplement, section 61A.072, subdivisions 3 and 4.

Referred to the Committee on Commerce.

Messrs. Morse and Frederickson, D.J. introduced—

S.F. No. 2425: A bill for an act relating to retirement; teachers retirement association; establishing a minimum final average salary alternative for benefit computation purposes figure for benefit computation purposes based on post-age 54 average salaries; amending Minnesota Statutes 1988, sections 354.05, by adding a subdivision; and 354.42, subdivisions 2 and 3; Minnesota Statutes 1989 Supplement, section 354.44, subdivision 6.

Referred to the Committee on Governmental Operations.

Mr. Morse introduced—

S.F. No. 2426: A bill for an act relating to natural resources; authorizing a matching grant for the development of demonstration forest facilities at the forest resource center, Lanesboro; appropriating money.

Referred to the Committee on Environment and Natural Resources.

Mr. Merriam introduced—

S.F. No. 2427: A bill for an act relating to game and fish; authorizing the commissioner to establish special seasons for persons with a physical disability or mental retardation to take game with firearms; proposing coding for new law in Minnesota Statutes, chapter 97B.

Referred to the Committee on Environment and Natural Resources.

Mr. Merriam introduced—

S.F. No. 2428: A bill for an act relating to environment; adding two public members to the petroleum tank release compensation board; amending Minnesota Statutes 1988, section 115C.07, subdivision 1.

Referred to the Committee on Governmental Operations.

Mr. Dicklich introduced—

S.F. No. 2429: A bill for an act relating to independent school district No. 316, Coleraine; independent school district No. 381, Lake Superior;

independent school district No. 695, Chisholm; independent school district No. 696, Ely; independent school district No. 697, Eveleth; independent school district No. 699, Gilbert; independent school district No. 707, Nett Lake; and independent school district No. 710, St. Louis county; authorizing issuance of bonds.

Referred to the Committee on Education.

Without objection, the Senate reverted to the Order of Business of Reports of Committees.

REPORTS OF COMMITTEES

Mr. Moe, R.D. from the Committee on Rules and Administration, to which were referred for proper reference under Rule 35:

S.F. Nos. 1713, 1991, 2024, 2165, 2222, and 2334 reports the same back with the recommendation that the bills be re-referred as follows:

S.F. Nos. 1713 and 2024 to the Committee on Environment and Natural Resources.

S.F. Nos. 1991 and 2222 to the Committee on Governmental Operations.

S.F. No. 2165 to the Committee on Health and Human Services.

S.F. No. 2334 to the Committee on Elections and Ethics.

Mr. Moe, R.D. moved the adoption of the foregoing Committee Report. The motion prevailed. Report adopted.

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

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Solon introduced—

S.F. No. 2430: A bill for an act relating to financial institutions; establishing a system for the evaluation and rating of community reinvestment by depository financial institutions owned by interstate bank holding companies; providing uniformity with federal financial institutions regulatory practices; regulating public disclosure of uniform rating; amending Minnesota Statutes 1988, sections 48.92, by adding a subdivision; 48.93, subdivision 3; and 48.97, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 47; repealing Minnesota Statutes 1988, section 48.99.

Referred to the Committee on Commerce.

Mr. Marty introduced—

S.F. No. 2431: A bill for an act relating to buildings; changing the definition of public building in the state building code; ratifying the interstate compact on industrialized/modular buildings; amending Minnesota Statutes 1989 Supplement, section 16B.60, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 16B.

Referred to the Committee on Governmental Operations.

Messrs. McGowan, Spear, Freeman and Ramstad introduced—

S.F. No. 2432: A bill for an act relating to crimes; requiring cemetery owners to report unlawful removal of bodies to law enforcement authorities and next of kin of the deceased person; prescribing penalties; amending Minnesota Statutes 1988, section 609.502.

Referred to the Committee on Judiciary.

Mr. Langseth introduced—

S.F. No. 2433: A bill for an act relating to metropolitan airport development; authorizing the metropolitan council to review and approve changes in certain land uses; proposing coding for new law in Minnesota Statutes, chapter 473.

Referred to the Committee on Local and Urban Government.

Mr. Lessard introduced—

S.F. No. 2434: A bill for an act relating to appropriations; appropriating money for the purchase of parkland in the town of Iron Range.

Referred to the Committee on Environment and Natural Resources.

Messrs. Metzen, Solon and Frank introduced—

S.F. No. 2435: A bill for an act relating to economic development; appropriating money to prepare land in the city of South St. Paul for economic development; authorizing the sale of state bonds.

Referred to the Committee on Economic Development and Housing.

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

MOTIONS AND RESOLUTIONS

Mrs. McQuaid moved that her name be stricken as a co-author to S.F. No. 2369. The motion prevailed.

Mr. Ramstad moved that the name of Ms. Olson be added as a co-author to S.F. No. 2369. The motion prevailed.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Wednesday, March 7, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-SEVENTH DAY

St. Paul, Minnesota, Wednesday, March 7, 1990

The Senate met at 12:00 noon and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. James Bzoskie.

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

Adkins	Decker	Knutson	Metzen	Ramstad
Anderson	DeCramer	Kroening	Moe, D.M.	Reichgott
Beckman	Dicklich	Langseth	Moe, R.D.	Renneke
Belanger	Diessner	Lantry	Morse	Samuelson
Benson	Flynn	Larson	Novak	Schmitz
Berglin	Frank	Lessard	Olson	Solon
Bertram	Frederick	Luther	Pariseau	Spear
Brandl	Frederickson, D.J.	Marty	Pehler	Storm
Chmielewski	Frederickson, D.R.	McGowan	Peterson, R.W.	Stumpf
Cohen	Freeman	McQuaid	Piepho	Vickerman
Dahl	Johnson, D.E.	Mehrkens	Piper	Waldorf
Davis	Johnson, D.J.	Merriam	Pogemiller	

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Berg, Gustafson and Hughes were excused from the Session of today.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1919 and 2143.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 5, 1990

FIRST READING OF HOUSE BILLS

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

H.F. No. 1919: A bill for an act relating to ethnic Minnesotans; designating Ethnic American Day; proposing coding for new law in Minnesota Statutes, chapter 10.

Referred to the Committee on General Legislation and Public Gaming.

H.F. No. 2143: A bill for an act relating to crimes; defining "crime" for purposes of crime victims reparations; amending Minnesota Statutes 1988, section 611A.52, subdivision 6.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2043, now on General Orders.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 1915 and the report pertaining to appointments. The motion prevailed.

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

S.F. No. 1879: A bill for an act relating to natural resources; amending a certain requirement relating to the sale of state timber; amending Minnesota Statutes 1988, section 90.101, subdivision 1.

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

Mrs. Lantry from the Committee on General Legislation and Public Gaming, to which was referred

S.F. No. 1508: A bill for an act relating to historical preservation; directing an archaeological site assessment and tourism study of the Fond du Lac area; appropriating funds.

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

Page 1, line 17, delete "1991" and insert "1992"

Page 2, line 4, delete "1989" and insert "1990"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2019: A bill for an act relating to human services; amending licensing data requirements under the data practices act; clarifying appropriate mental health outpatient services; amending the human services licensing act; defining drop-in child care; creating an exclusion from licensure; requiring a need determination for licensing; clarifying sanctions allowed against license holders; establishing requirements for receivership; amending Minnesota Statutes 1988, sections 13.46, subdivision 4; 245A.07,

subdivision 3; 245A.08, subdivision 3; and 245A.16, subdivision 4; Minnesota Statutes 1989 Supplement, sections 245.470, subdivision 1; 245.488, subdivision 1; 245A.02, subdivision 6a; 245A.03, subdivision 2, and by adding a subdivision; 245A.04, subdivisions 3a and 3b; 245A.12; 245A.13; and 245A.16, subdivision 1.

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

Pages 1 to 3, delete section 1

Page 7, delete lines 20 to 25 and insert:

"Subd. 4. [NEED DETERMINATION.] Before issuing an initial license to a residential program and every two years after initial licensure, the commissioner of human services shall, in conjunction with the appropriate county boards, determine the need for the residential program. The commissioner shall establish standards for determining need for residential programs including factors such as the location, size, type of program, persons served, availability of community services, and the number and size of existing residential programs in the town, municipality, or county. The commissioner shall promulgate amended rules under chapter 256E to implement this subdivision."

Page 11, after line 31, insert:

"(5) "Provider or provider group" means the license holder or controlling individual prior to the effective date of the receivership."

Page 14, after line 23, insert:

"Subd. 10. [RECEIVERSHIP COSTS.] The commissioner may use the accounts and funds that would have been available for the room and board, services, and program costs of persons in the residential program for costs, cash flow, and accounting purposes related to the receivership."

Page 20, after line 5, insert:

"Subd. 10. [RECEIVERSHIP COSTS.] The commissioner may use the accounts and funds that would have been available for the room and board, services, and program costs of persons in the residential program for costs, cash flow, and accounting purposes related to the receivership."

Page 20, after line 31, insert:

"Sec. 14. [245A.17] [SEAT BELT USE REQUIRED.]

When a nonresidential license holder provides or arranges for transportation for children served by the license holder, children four years old and older must be restrained by a properly adjusted and fastened seat belt and children under age four must be properly fastened in a child passenger restraint system meeting federal motor vehicle safety standards. A child passenger restraint system is not required for a child who, in the judgment of a licensed physician, cannot be safely transported in a child passenger restraint system because of a medical condition, body size, or physical disability, if the license holder possesses a written statement from the physician that satisfies the requirements in section 169.685, subdivision 5, paragraph (b)."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon

Page 1, line 3, delete everything before "clarifying"

Page 1, line 10, after the semicolon, insert "requiring use of seat belts and child passenger restraints when license holders transport children;"

Page 1, line 11, delete "13.46, subdivision 4;"

Page 1, line 17, after "1" insert "; proposing coding for new law in Minnesota Statutes, chapter 245A"

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

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

S.F. No. 1750: A bill for an act relating to agriculture; extending the farmer-lender mediation act; appropriating money; amending Laws 1986, chapter 398, article 1, section 18, as amended.

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

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1988, section 583.21, is amended to read:

583.21 [LEGISLATIVE FINDINGS.]

The legislature finds that the agricultural sector of the state's economy ~~is~~ *has been* under severe financial stress due to low farm commodity prices, ~~continuing~~ high interest rates, and reduced net farm income, *which continues because of drought and the devastating effect of grasshopper plagues.* The suffering agricultural economy adversely affects economic conditions for all other businesses in rural communities as well. Thousands of this state's farmers are unable to meet current payments of interest and principal payable on mortgages and other loan and land contracts and are threatened with the loss of their farmland, equipment, crops, and livestock through mortgage and lien foreclosures, cancellation of contracts for deed, and other collection actions. The agricultural economic emergency requires an orderly process with state assistance to adjust agricultural indebtedness to prevent civil unrest and to preserve the general welfare and fiscal integrity of the state."

Page 1, line 12, delete "1992" and insert "1991"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "making legislative findings;"

Page 1, line 3, after "amending" insert "Minnesota Statutes 1988, section 583.21;"

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1860: A bill for an act relating to domestic abuse; improving prosecutorial procedures in domestic abuse cases; requiring the commissioner of public safety to study the feasibility and costs of a statewide computerized data base on domestic abuse; appropriating money; amending Minnesota Statutes 1988, section 611A.0315, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 611A and 629.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 518B.01, subdivision 6, is amended to read:

Subd. 6. [RELIEF BY THE COURT.] (a) Upon notice and hearing, the court may provide relief as follows:

(1) restrain the abusing party from committing acts of domestic abuse;
(2) exclude the abusing party from the dwelling which the parties share or from the residence of the petitioner;

(3) award temporary custody or establish temporary visitation with regard to minor children of the parties on a basis which gives primary consideration to the safety of the victim and the children. If the court finds that the safety of the victim or the children will be jeopardized by unsupervised or unrestricted visitation, the court shall condition or restrict visitation as to time, place, duration, or supervision, or deny visitation entirely, as needed to guard the safety of the victim and the children. The court's deliberation under this subdivision shall in no way delay the issuance of an order for protection granting other reliefs provided for in Laws 1985, chapter 195;

(4) on the same basis as is provided in chapter 518, establish temporary support for minor children or a spouse, and order the withholding of support from the income of the person obligated to pay the support according to chapter 518;

(5) provide upon request of the petitioner counseling or other social services for the parties, if married, or if there are minor children;

(6) order the abusing party to participate in treatment or counseling services;

(7) award temporary use and possession of property and restrain one or both parties from transferring, encumbering, concealing, or disposing of property except in the usual course of business or for the necessities of life, and to account to the court for all such transfers, encumbrances, dispositions, and expenditures made after the order is served or communicated to the party restrained in open court;

(8) *exclude the abusing party from the place of employment of the petitioner, or otherwise limit access to the petitioner by the abusing party at the petitioner's place of employment; and*

(9) order, in its discretion, other relief as it deems necessary for the protection of a family or household member, including orders or directives to the sheriff or constable, as provided by this section.

(b) Any relief granted by the order for protection shall be for a fixed

period not to exceed one year, except when the court determines a longer fixed period is appropriate.

(c) An order granting the relief authorized in paragraph (a), clause (1), may not be vacated or modified in a proceeding for dissolution of marriage or legal separation, except that the court may hear a motion for modification of an order for protection concurrently with a proceeding for dissolution of marriage upon notice of motion and motion. The notice required by court rule shall not be waived. If the proceedings are consolidated and the motion to modify is granted, a separate order for modification of an order for protection shall be issued.

(d) An order granting the relief authorized in paragraph (a), clause (2), is not voided by the admittance of the abusing party into the dwelling from which the abusing party is excluded.

Sec. 2. Minnesota Statutes 1988, section 518B.01, subdivision 7, is amended to read:

Subd. 7. [TEMPORARY ORDER.] (a) Where an application under this section alleges an immediate and present danger of domestic abuse, the court may grant an ex parte temporary order for protection, pending a full hearing, and granting relief as the court deems proper, including an order:

(1) restraining the abusing party from committing acts of domestic abuse;

(2) excluding any party from the dwelling they share or from the residence of the other except by further order of the court; *and*

(3) *excluding the abusing party from the place of employment of the petitioner or otherwise limiting access to the petitioner by the abusing party at the petitioner's place of employment.*

(b) An ex parte temporary order for protection shall be effective for a fixed period not to exceed 14 days, except for good cause as provided under paragraph (c). A full hearing, as provided by this section, shall be set for not later than seven days from the issuance of the temporary order. The respondent shall be served forthwith a copy of the ex parte order along with a copy of the petition and notice of the date set for the hearing.

(c) When service is made by published notice, as provided under subdivision 5, the petitioner may apply for an extension of the period of the ex parte order at the same time the petitioner files the affidavit required under that subdivision. The court may extend the ex parte temporary order for an additional period not to exceed 14 days. The respondent shall be served forthwith a copy of the modified ex parte order along with a copy of the notice of the new date set for the hearing.

Sec. 3. Minnesota Statutes 1988, section 518B.01, subdivision 14, is amended to read:

Subd. 14. [VIOLATION OF AN ORDER FOR PROTECTION.] (a) Whenever an order for protection is granted pursuant to this section, and the respondent or person to be restrained knows of the order, violation of the order for protection is a misdemeanor.

(b) A peace officer shall arrest without a warrant and take into custody a person whom the peace officer has probable cause to believe has violated an order granted pursuant to this section restraining the person or excluding the person from the residence, *even if the violation of the order did not take place in the presence of the peace officer*, if the existence of the order

can be verified by the officer.

(c) A violation of an order for protection shall also constitute contempt of court and be subject to the penalties therefor.

(d) *If the court finds that the respondent has violated an order for protection and that there is reason to believe that the respondent will commit a further violation of the provisions of the order restraining the respondent from committing acts of domestic abuse or excluding the respondent from the petitioner's residence, the court may require the respondent to acknowledge an obligation to comply with the order on the record. The court may require a bond sufficient to deter the respondent from committing further violations of the order for protection, considering the financial resources of the respondent, and not to exceed \$10,000. If the respondent refuses to comply with an order to acknowledge the obligation or post a bond under this paragraph, the court shall commit the respondent to the county jail during the term of the order for protection or until the respondent complies with the order under this paragraph. The warrant must state the cause of commitment, with the sum and time for which any bond is required. If an order is issued under this paragraph, the court may order the costs of the contempt action, or any part of them, to be paid by the respondent. An order under this paragraph is appealable.*

(e) Upon the filing of an affidavit by the petitioner or any peace officer, alleging that the respondent has violated any order for protection granted pursuant to this section, the court may issue an order to the respondent, requiring the respondent to appear and show cause within 14 days why the respondent should not be found in contempt of court and punished therefor. The hearing may be held by the court in any county in which the petitioner or respondent temporarily or permanently resides at the time of the alleged violation. *The court also may refer the violation of the order for protection to the appropriate prosecuting authority for possible prosecution under paragraph (a).*

(e) (f) The admittance into petitioner's dwelling of an abusing party excluded from the dwelling under an order for protection is not a violation by the petitioner of the order for protection.

A peace officer is not liable under section 609.43, clause (1), for a failure to perform a duty required by clause (b).

Sec. 4. [611A.0311] [DOMESTIC ABUSE PROSECUTIONS; PILOT PLAN AND PROCEDURES.]

Subdivision 1. [DEFINITIONS.] (a) "Domestic abuse" has the meaning given in section 518B.01, subdivision 2.

(b) "Domestic abuse case" means a prosecution for: (1) a crime that involves domestic abuse; (2) violation of a condition of release following an arrest for a crime that involves domestic abuse; or (3) violation of a domestic abuse order for protection.

Subd. 2. [CONTENTS OF PLAN.] Five county and five city attorneys selected by the commissioner of public safety shall develop and implement a written plan to expedite and improve the efficiency and just disposition of domestic abuse cases brought to the prosecuting authority. In developing the plans, the county and city attorneys selected shall provide an opportunity for participation by local domestic abuse advocates and victim advocates, where available, and by other interested members of the public.

This plan shall state goals and contain policies and procedures to address the following matters:

(1) the plan must provide for (a) early assignment of a trial prosecutor who has the responsibility of handling the domestic abuse case through disposition, whenever feasible; and (b) early contact between the trial prosecutor and the victim;

(2) the plan shall contain procedures to facilitate the earliest possible contact between the prosecutor's office and the victim for the purpose of acquainting the victim with the criminal justice process, the use of subpoenas, the victim's role as a witness in the prosecution, and the domestic abuse or victim services that are available;

(3) the plan must contain procedures to coordinate the trial prosecutor's efforts with those of the domestic abuse advocate or victim advocate, where available, and to facilitate the early provision of advocacy services to the victim;

(4) the plan shall describe the methods which will be used to identify, gather, and preserve evidence in addition to the victim's in-court testimony that will enhance the ability to prosecute a case when a victim is reluctant to assist, including but not limited to physical evidence of the victim's injury, evidence relating to the scene of the crime, eyewitness testimony, and statements of the victim made at or near the time of the injury;

(5) the plan must contain procedures for educating local law enforcement agencies about the contents of the plan and their role in assisting with its implementation;

(6) the plan shall encourage the issuance of subpoenas to victims and witnesses, where appropriate;

(7) the plan must include procedures for annual review of the plan to evaluate whether it is meeting its goals effectively and whether improvements are needed; and

(8) the plan must include a timetable for implementation.

Subd. 3. [COPY FILED WITH DEPARTMENT OF PUBLIC SAFETY.] A copy of the written plan must be filed with the Minnesota department of public safety on or before November 15, 1990. The city and county attorneys selected for the pilot plan shall file a status report on the pilot project by January 1, 1992. The written plan and the annual reports are classified as public data.

Sec. 5. Minnesota Statutes 1988, section 611A.0315, subdivision 1, is amended to read:

Subdivision 1. [NOTICE OF DECISION NOT TO PROSECUTE.] *(a) A prosecutor shall make every reasonable effort to notify a domestic assault victim that the prosecutor has decided to decline prosecution of the case or to dismiss the criminal charges filed against the defendant. Efforts to notify the victim should include, in order of priority: (1) contacting the victim or a person designated by the victim by telephone; and (2) contacting the victim by mail. If a suspect is still in custody, the notification attempt shall be made before the suspect is released from custody.*

(b) Whenever a prosecutor dismisses criminal charges against a person accused of domestic assault, a record shall be made of the specific reasons for the dismissal. If the dismissal is due to the unavailability of the witness,

the prosecutor shall indicate the specific reason that the witness is unavailable.

Sec. 6. [DOMESTIC ABUSE; PLAN FOR STATEWIDE COMPUTER DATA SYSTEM.]

The commissioner of public safety, in consultation with the department of corrections advisory council on battered women and the state court administrator, shall evaluate the feasibility and costs of establishing a statewide, computerized data system containing the following information on domestic assault crimes and domestic abuse orders for protection:

(1) identifying information on individuals arrested for, charged with, or convicted of domestic assault, as defined in Minnesota Statutes, section 611A.0315, and the names and birth dates of their victims or alleged victims;

(2) prior arrests and convictions of individuals described in clause (1) for: homicide, assault, criminal sexual conduct, criminal damage to property, kidnapping, terroristic threats, trespass, obscene or harassing telephone calls, interference with privacy, harassment by means of the mail, or violations of an order for protection;

(3) pretrial release conditions applicable to individuals charged with domestic assault;

(4) probation and supervised release conditions applicable to individuals convicted of domestic assault;

(5) identifying information on respondents who are or were subject to an order for protection issued under chapter 518B, and the name and birth date of the petitioner and other individuals protected under the order; and

(6) the terms and conditions of these orders for protection.

The commissioner shall report to the legislature on or before February 1, 1991, on the results of the evaluation.

Sec. 7. [APPROPRIATION.]

§ is appropriated from the general fund to the commissioner of corrections to expand the availability of domestic abuse advocates for battered women under Minnesota Statutes, sections 611A.31 to 611A.36."

Delete the title and insert:

"A bill for an act relating to domestic abuse; authorizing courts to exclude a respondent from the place of employment of a petitioner in an order for protection; clarifying the probable cause arrest provision for violations of orders for protection; authorizing bonds to ensure compliance with orders for protection; authorizing referrals to prosecuting authorities for violations of orders for protection; improving prosecutorial procedures in domestic abuse cases; requiring the commissioner of public safety to study the feasibility and costs of a statewide computerized data base on domestic abuse; requiring a report; appropriating money; amending Minnesota Statutes 1988, sections 518B.01, subdivisions 6, 7, and 14; and 611A.0315, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 611A."

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1927: A bill for an act relating to education; changing state board of vocational technical education powers; amending Minnesota Statutes 1988, section 136C.04, subdivision 12.

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2092: A bill for an act relating to cities; regulating financial operations of municipal hospitals; amending Minnesota Statutes 1988, section 412.221, subdivision 16.

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2156: A bill for an act relating to local government; allowing municipalities to enter into certain contracts to reduce energy and operating costs; amending Minnesota Statutes 1988, section 471.345, by adding a subdivision; repealing Minnesota Statutes 1988, section 471.345, subdivision 9.

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1980: A bill for an act relating to local government; requiring additional notice of various vacation proceedings; amending Minnesota Statutes 1988, section 368.01, subdivision 25; and Minnesota Statutes 1989 Supplement, section 412.851.

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1979: A bill for an act relating to local government; permitting towns to publish collections of town ordinances, resolutions, rules, and laws; amending Minnesota Statutes 1988, sections 415.021 and 599.13.

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S.F. No. 1895: A bill for an act relating to education; permitting special school district No. 1 to remodel the Aviation Training Center with federal funds.

Reports the same back with the recommendation that the report from the Committee on Education, shown in the Journal for March 1, 1990, be amended to read:

"the bill do pass and be re-referred to the Committee on Finance". Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 354: A bill for an act relating to trusts; permitting the creation of custodial trusts; adopting the uniform custodial trust act; proposing coding for new law as Minnesota Statutes, chapter 529.

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

Page 2, after line 3, insert:

"(8) "Holder of the beneficiary's power of attorney" means a person who is a holder of the beneficiary's unrevoked power of attorney if the document creating the power of attorney grants powers similar or identical to those defined as "beneficiary transactions" in section 523.24, subdivision 7."

Page 2, line 4, delete "(8)" and insert "(9)"

Page 2, line 6, delete "deficiency" and insert "retardation"

Page 2, line 10, delete "(9)" and insert "(10)"

Page 2, line 12, delete "(10)" and insert "(11)"

Page 2, line 16, delete "(11)" and insert "(12)"

Page 2, line 19, delete "(12)" and insert "(13)"

Page 2, line 23, delete "(13)" and insert "(14)"

Page 2, line 26, delete "(14)" and insert "(15)"

Page 2, line 28, delete "(15)" and insert "(16)"

Page 3, line 16, after "or the" insert "holder of the beneficiary's power of attorney"

Page 3, line 17, delete "conservator of an incapacitated beneficiary"

Page 3, line 19, delete "conservator" and insert "holder of the beneficiary's power of attorney"

Page 5, delete section 5

Page 5, line 19, delete "529.06" and insert "529.05"

Page 5, line 34, delete "7" and insert "6" and delete "15" and insert "14"

Page 5, line 36, delete "529.07" and insert "529.06"

Page 6, line 8, delete "that would be" and insert "set forth in section 501B.10."

Page 6, delete lines 9 and 10

Page 6, line 11, delete "fiduciaries."

Page 6, line 13, delete everything after the period

Page 6, delete lines 14 to 16

Page 7, delete lines 2 to 4

Page 7, line 5, delete "529.08" and insert "529.07"

Page 7, line 12, delete "7" and insert "6"

Page 7, line 13, delete "529.09" and insert "529.08"

Page 7, line 35, delete "529.10" and insert "529.09"

Page 8, line 1, delete "*the custodial*"

Page 8, line 2, delete "*trust was created under section 5, (ii)*"

Page 8, line 4, delete "*(iii)*" and insert "*(ii)*"

Page 8, line 17, delete "*may*" and insert "*must*"

Page 8, line 34, delete "529.11" and insert "529.10"

Page 9, line 16, delete "529.12" and insert "529.11"

Page 10, line 8, delete "529.13" and insert "529.12"

Page 10, line 34, after "*incapacitated,*" insert "*or the holder of the beneficiary's power of attorney,*"

Page 10, line 35, delete everything after the period

Page 10, delete line 36

Page 11, delete lines 1 to 5

Page 11, line 9, delete "*guardian*" and insert "*conservator*"

Page 11, line 13, after "*trustee*" insert "*in accordance with the procedures set forth in sections 501B.16 to 501B.25*"

Page 11, line 31, delete "529.14" and insert "529.13"

Page 12, line 9, delete "529.15" and insert "529.14"

Page 13, after line 13, insert:

"(g) *All proceedings described in this section shall be conducted in accordance with the procedures set forth in sections 501B.16 to 501B.25.*"

Page 13, line 14, delete "529.16" and insert "529.15"

Page 14, line 12, delete "529.17" and insert "529.16"

Page 14, line 16, after "(2)" insert "*to the holder of the beneficiary's power of attorney;*

(3)"

Page 14, line 18, delete "(3)" and insert "(4)"

Page 14, delete lines 19 to 21

Page 14, line 22, delete "(ii)" and insert "(i)"

Page 14, line 24, delete "(iii)" and insert "(ii)"

Page 14, line 26, delete "(iv)" and insert "(iii)"

Page 14, line 36, delete "529.18" and insert "529.17"

Page 16, line 32, delete "*works*" and insert "*words*"

Page 18, line 1, before the headnote, insert “[529.18]”

Page 18, line 14, before the headnote, insert “[529.19]”

Page 18, lines 18 and 19, delete “20” and insert “19”

Renumber the sections in sequence

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

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 1032: 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.

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1915: A bill for an act relating to children; establishing a board to plan, coordinate, and oversee early childhood development programs and services; requiring local area planning councils to be established; establishing a technical advisory committee; proposing coding for new law as Minnesota Statutes, chapter 129D; repealing Minnesota Statutes 1989 Supplement, section 256H.25.

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

Page 1, delete line 10

Page 1, line 11, delete “MICOORDINATING” and insert “MINNESOTA COORDINATING”

Page 1, lines 13, 18, and 21, after “*childhood*” insert “*family*”

Page 2, line 2, delete “*childhood/special*” and insert “*childhood family*” and after “*education*” insert “*programs for handicapped children*”

Page 2, lines 4, 7, 20, 25, 29, 32, and 35, after “*childhood*” insert “*family*”

Page 2, line 12, delete “*initially*”

Page 2, delete line 15

Page 2, line 16, delete “*that*”

Page 2, line 17, delete everything after the period

Page 2, delete line 18

Page 2, line 33, delete “*establish and maintain*” and insert “*develop and recommend*”

Page 2, line 34, delete “*promotes*” and insert “*would promote*”

Page 2, line 35, delete “*ensures*” and insert “*could ensure*”

Page 3, line 3, delete “129D.05” and insert “5”

Page 3, lines 10, 13, 19, 21, 25, 26, 29, 31, 33, and 36, after "childhood" insert "family"

Page 3, line 27, delete "129D.06" and insert "6"

Page 4, lines 5, 9, 25, 26, and 28, after "childhood" insert "family"

Page 4, line 23, after "CHILDHOOD" insert "FAMILY"

Page 5, lines 2, 4, 8, 20, and 23, after "childhood" insert "family"

Page 5, line 16, after "CHILDHOOD" insert "FAMILY"

Page 6, line 1, delete "To these ends,"

Page 6, delete lines 2 to 4 and insert:

"Sec. 9. [APPROPRIATION TRANSFER.]

Any unencumbered or unexpended balance remaining in the appropriation to the department of human services and allocated for the use of the governor's council on children and youth shall cancel and is appropriated from the general fund to the department of education for the Minnesota early childhood family coordinating board for fiscal year 1990 for the purposes of sections 1 to 8. The 1990 appropriation does not cancel and is available until June 30, 1991.

The state complement for the Minnesota early childhood family coordinating board is four."

Page 6, line 5, delete "2" and insert "10"

Page 6, line 7, before the period, insert "August 1, 1990" and after the period, insert "Sections 1 to 8 are repealed August 1, 1995."

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 9 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, after "childhood" insert "family"

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

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Mr. Benson questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

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

S.F. No. 1894: A bill for an act relating to environment and natural resources; amending provisions relating to water management organizations; providing legislative commission oversight of the metropolitan water management act; providing for appointment of metropolitan watershed district managers from residents within the district; authorizing management and financing of drainage systems under certain laws; exempting certain water planning and implementation costs in the metropolitan area from levy limits; clarifying water management purposes; authorizing counties to remove watershed district managers for just cause; authorizing a technical advisory committee; requiring watershed management organizations to prepare newsletters, annual reports, and audits; providing for preparation of

watershed plans and implementation of plans; providing penalties for not implementing plans; authorizing and directing the board of water and soil resources to adopt rules; providing for appeal of plan failures; providing for requests for proposals for certain services; authorizing accumulation of levy proceeds; authorizing establishment of a special tax district in certain areas; requiring a draining system report; amending Minnesota Statutes 1988, sections 110B.28; 110B.30; 112.42, subdivision 3, and by adding a subdivision; 473.875; 473.876, by adding a subdivision; 473.877, subdivision 1; 473.878, subdivisions 1, 1a, 2, 3, 4, 8, and by adding subdivisions; 473.879, subdivision 2; 473.881; 473.882, subdivision 1; and 473.883, subdivisions 3 and 7; Minnesota Statutes 1989 Supplement, section 473.883, subdivision 6; Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 112 and 473.

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

Page 2, line 1, after "legislative" insert "water" and strike "on Minnesota resources" and delete "and"

Page 2, line 2, delete the new language

Page 2, lines 9 to 11, reinstate the stricken language and delete the new language

Pages 2 to 4, delete section 3

Page 4, line 27, delete "*is encouraged to*" and insert "*shall*"

Page 12, line 11, delete the colon

Page 12, line 12, delete the paragraph coding and delete "(1)"

Page 12, line 13, delete "; and" and insert a period

Page 12, line 14, delete "(2) that" and insert "(c)"

Page 12, delete line 36 and insert "*shall publish and distribute at least one newsletter or other appropriate written communication each year*"

Page 13, line 1, delete "*the newsletter*"

Page 13, line 5, delete "*annually solicit*"

Page 13, line 6, delete "*requests for proposals*" and insert "*at least every two years solicit interest proposals*"

Page 14, lines 15 and 16, reinstate the stricken language

Page 14, line 23, after the period, insert "*Appeals of the board of water and soil resources determination must be filed in the same manner as appeals under section 112.801.*"

Page 14, lines 23 to 36, reinstate the stricken language

Page 15, line 1, reinstate the stricken language

Page 15, line 14, before the semicolon, insert "*except for activities that improve water quality and quantity management or protect public health, safety, or welfare*"

Page 15, line 17, delete "*shall*" and insert "*may*"

Page 20, line 5, after "*standards*" insert "*for second generation plans*"

Page 23, after line 16, insert:

“Sec. 27. [APPROPRIATION.]

§ is appropriated to the board of water and soil resources for the purposes of carrying out this act.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 6 and 7

Page 1, line 25, after the semicolon, insert “appropriating money;”

Page 1, line 26, delete “subdivision 3, and”

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2090: A bill for an act relating to towns; regulating maintenance of tunnels; regulating town meetings; providing for town deputy treasurer; amending Minnesota Statutes 1988, sections 160.25, subdivision 3; 365.51, subdivision 1; and 365.58; proposing coding for new law in Minnesota Statutes, chapter 367.

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

Page 1, delete section 1

Page 2, line 16, after “deputy” insert “*not currently serving as an elected official of the town*”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete “regulating maintenance of tunnels;”

Page 1, line 5, delete “160.25, subdivision 3;”

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

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

S.F. No. 2172: A bill for an act relating to waters; requiring the commissioner of natural resources to establish a plan for drought emergencies; creating a drought task force; amending Minnesota Statutes 1989 Supplement, section 473.156, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 105.

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

Delete everything after the enacting clause and insert:

“Section 1. [105.419] [STATEWIDE DROUGHT PLAN.]

The commissioner shall establish a plan to respond to drought-related

emergencies and to prepare a statewide framework for drought response. The plan must consider metropolitan water supply plans of the metropolitan council prepared under section 473.156. The plan must provide a framework for implementing drought response actions in a staged approach related to decreasing levels of flows. Permits issued under section 105.41 must provide conditions on water appropriation consistent with the drought response plan established by this section.

Sec. 2. Minnesota Statutes 1989 Supplement, section 473.156, subdivision 1, is amended to read:

Subdivision 1. [PLAN COMPONENTS.] The metropolitan council shall develop a short-term and long-term plan for existing and expected water use and supply in the metropolitan area. The plan shall be submitted to and reviewed by the state planning agency and the commissioner of natural resources for consistency with the statewide drought plan under section 1. At a minimum, the plans must:

(1) update the data and information on water supply and use within the metropolitan area;

(2) identify alternative courses of action, including water conservation initiatives and economic alternatives, in case of drought conditions; and

(3) recommend approaches to resolving problems that may develop because of water use and supply; with consideration ~~must be~~ given to problems that occur outside of the metropolitan area, but which have an effect within the area; and

(4) be consistent with the statewide drought plan under section 1.

Sec. 3. Minnesota Statutes 1989 Supplement, section 473.156, subdivision 2, is amended to read:

Subd. 2. [COMPLETION AND REPORT.] The short-term plan must be completed by February 1, 1990. The long-term plan must be completed by ~~July 1, 1990~~ February 1, 1992, and continually updated as the need arises. The plans must be prepared in consultation with the Army Corps of Engineers, the Leech Lake Reservation business committee, the Mississippi headwaters board, department of natural resources, and the environmental quality board. Both plans must be given to the metropolitan affairs and natural resources committees of the house of representatives and senate, and be available to the public.

Sec. 4. [APPLICATION.]

Sections 2 and 3 apply to the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Delete the title and insert:

"A bill for an act relating to waters; requiring the commissioner of natural resources to establish a plan for drought emergencies; changing the completion date for the metropolitan council's long-term water supply plan; amending Minnesota Statutes 1989 Supplement, section 473.156, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 105."

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

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

S.F. No. 2160: A bill for an act relating to education; providing for the environmental education act; creating the office of environmental education; proposing coding for new law as Minnesota Statutes, chapter 126A; repealing Minnesota Statutes 1988, sections 116E.01; 116E.02; 116E.03, subdivisions 2, 3, 4, 5, 6, 7, 7a, 8, and 9; and 116E.04; Minnesota Statutes 1989 Supplement, sections 116E.03, subdivision 1; and 116E.035.

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

Page 1, delete section 1

Page 1, line 21, delete "126A.02" and insert "126A.01"

Page 2, after line 6, insert:

"(5) to understand the potential complimentary nature of multiple uses of the environment;"

Page 2, line 7, delete "(5)" and insert "(6)"

Page 2, line 9, delete "(6)" and insert "(7)"

Page 2, line 11, delete "126A.03" and insert "126A.02"

Page 2, line 17, delete "9" and insert "8"

Page 2, line 25, delete *"environmental quality board"* and insert *"board of water and soil resources"*

Page 2, line 28, after *"members"* insert *"representing diverse interests"*

Page 2, line 30, delete everything after the period

Page 2, line 31, delete *"section,"*

Page 2, line 36, delete "126A.04" and insert "126A.03"

Page 3, line 1, delete *"Subdivision 1. [STAFF; CONSULTANT SUPPORT.]"*

Page 3, line 10, delete "126A.05" and insert "126A.04"

Page 4, line 13, delete "126A.06" and insert "126A.05"

Page 4, line 28, delete "126A.07" and insert "126A.06"

Page 5, line 25, delete "126A.08" and insert "126A.07"

Page 6, line 10, delete "126A.09" and insert "126A.08"

Page 6, line 26, delete "126A.10" and insert "126A.09"

Page 7, line 8, delete "126A.11" and insert "126A.10"

Page 7, line 17, delete "126A.12" and insert "126A.11"

Page 7, line 20, delete "126A.13" and insert "126A.12"

Renumber the sections in sequence

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

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

S.F. No. 2175: A bill for an act relating to crimes; prohibiting wild land arson fires; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 609.

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

Delete everything after the enacting clause and insert:

“Section 1. [609.577] [WILDFIRE ARSON.]

Subdivision 1. [DEFINITIONS.] (a) The definitions in this subdivision apply to this section.

(b) “Wildfire” means a fire that is intentionally set to burn out of control on land of another containing timber, underbrush, grass, or other vegetative combustible material.

Subd. 2. [SETTING WILDFIRES.] A person is guilty of a felony who sets a wildfire.

Subd. 3. [POSSESSION OF FLAMMABLES TO SET WILDFIRES.] (a) Except as provided in paragraph (b), a person is guilty of a felony who possesses a flammable, explosive, or incendiary device, substance, or material with intent to use the device, substance, or material to set a wildfire.

(b) Paragraph (a) does not apply to the authorized use of or possession of an incendiary device, substance, or material by peace officers, fire-fighters, members of the United States armed forces, or wildlife, parks, and forest officers of the state and federal government acting in the performance of their duties.

Subd. 4. [LIABILITY FOR COSTS.] A person who is guilty of violating this section is liable for reimbursement of fire suppression costs and damages in addition to other penalties.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day after final enactment and applies to crimes committed on or after that date.”

Amend the title as follows:

Page 1, line 2, delete “wild land” and insert “wildfire” and delete “fires”

Page 1, line 3, after “providing” insert “criminal” and after “penalties” insert “and liability for fire suppression costs”

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

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

S.F. No. 1962: A bill for an act relating to appropriations; canceling an appropriation for a cooperative agreement with the Cuyuna Development Corporation.

Reports the same back with the recommendation that the bill be amended

as follows:

Page 1, after line 5, insert:

"Section 1. Laws 1989, chapter 335, article 4, section 109, subdivision 1, is amended to read:

Subdivision 1. [STATUTORY SECTIONS.] Minnesota Statutes 1988, sections 11A.22; ~~84.0911, subdivisions 1 and 2~~; 85.051; 89.04; 93.221; 116J.968; 190.26; 344.03; and 469.121, subdivision 1, are repealed. *Minnesota Statutes 1988, section 84.0911, subdivisions 1 and 2, are reenacted.*"

Page 1, delete line 14 and insert:

"This act is effective retroactively to June 3, 1989."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, before the period, insert "; restoring the wild rice management account; amending Laws 1989, chapter 335, article 4, section 109, subdivision 1"

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

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

S.F. No. 1925: A bill for an act relating to the environment; changing certain requirements for municipal wastewater treatment grants; amending Minnesota Statutes 1988, sections 116.18, subdivision 3c; 446A.07, subdivision 2; and Minnesota Statutes 1989 Supplement, section 116.16, subdivisions 2 and 5.

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

Page 4, line 11, reinstate the stricken "serving" and after the stricken "two" insert "*less than six*" and reinstate the stricken "dwellings"

Page 4, line 12, reinstate the stricken language

Page 4, line 25, strike "that"

Page 5, lines 5 and 6, delete the new language

Page 5, after line 23, insert:

"Sec. 5. Minnesota Statutes 1988, section 446A.12, subdivision 1, is amended to read:

Subdivision 1. [BONDING AUTHORITY.] The authority may issue negotiable bonds in a principal amount that the authority determines necessary to provide sufficient funds for achieving its purposes, including the making of loans and purchase of securities, the payment of interest on bonds of the authority, the establishment of reserves to secure its bonds, the payment of fees to a third party providing credit enhancement, and the payment of all other expenditures of the authority incident to and necessary or convenient to carry out its corporate purposes and powers. Bonds of the authority may be issued as bonds or notes or in any other form authorized by law. The principal amount of bonds issued and outstanding under this

section at any time may not exceed ~~\$100,000,000~~ \$150,000,000.

Sec. 6. [EFFECTIVE DATE.]

Section 5 is effective the day following final enactment.

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "increasing bonding authority;"

Page 1, line 5, before "and" insert "446A.12, subdivision 1;"

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1485: A bill for an act relating to licensed occupations; providing for the licensure of private detectives and protective agents by the commissioner of public safety; requiring the registration of their employees; setting standards and training requirements for the employees of private detectives and protective agents; abolishing the board of private detective and protective agent services; directing the commissioner of public safety to appoint a private detective and protective agent advisory board; providing penalties; amending Minnesota Statutes 1988, sections 214.01, subdivision 3; and 626.88, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 299K; repealing Minnesota Statutes 1988, sections 326.32 to 326.339.

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

Page 2, lines 7 and 20, after "means" insert "*a proprietary guard or*"

Page 2, line 26, after "mean" insert ":

(1)"

Page 2, line 29, delete the period and insert ":

(2) *an auditor, accountant, or accounting clerk performing audits or accounting functions or engaging in internal financial investigations at a financial institution;*

(3) *a person employed to conduct plain-clothes surveillance or investigation to prevent theft in a retail setting;*

(4) *a person temporarily employed under statute or ordinance by a political subdivision to provide protective services at a social function;*

(5) *an employee of an air or rail carrier;*

(6) *a customer service representative or sales clerk employed in a retail establishment;*

(7) *a person employed to perform primarily maintenance or custodial functions; or*

(8) *a person employed as an usher or ticket taker."*

Page 3, line 36, delete "OPERATOR" and insert "GUARD" and delete "operator" and insert "guard"

Page 6, line 26, after "felony" insert ", or a gross misdemeanor listed in clause (2)."

Page 6, line 29, after "be" insert "*any of the following offenses at the felony or gross misdemeanor level: criminal sexual conduct;*"

Page 12, after line 28, insert:

"Subd. 4. [LABOR DISPUTES.] No license holder, in the course of providing protective agent services, may provide armed protective personnel to labor disputes or strike locations. This subdivision does not apply to the use of armed security personnel services utilized in the usual course of business for the protection of persons, property, and payroll."

Page 12, line 29, delete "4" and insert "5"

Page 12, line 30, delete "or 3" and insert "3, or 4"

Page 15, line 25, before the period, insert "*or on any person who fails to comply with a provision of this chapter*"

Page 15, delete lines 33 to 36 and insert:

"Subdivision 1. [APPLICABILITY.] A license holder or an employer of a proprietary guard shall apply for registration of a new employee or guard subject to this section on the day on which the new employee or guard begins work. The application complies with this subdivision if it is mailed on the first day of the employee's or guard's duties."

Page 16, line 2, delete "license" and insert "registration" and delete "an employee" and insert "a person"

Page 16, line 6, after the semicolon, insert "and"

Page 16, line 12, after "misdemeanor" insert "*listed in section 4, subdivision 4,*" and delete everything after "state" and insert a period

Page 16, delete lines 13 and 14

Page 16, line 23, delete everything after "or" and insert "*work authorization*"

Page 16, line 24, delete "status"

Page 17, line 6, delete "one"

Page 17, line 7, delete everything after "commissioner"

Page 17, line 8, delete everything before the semicolon

Page 17, line 9, delete everything after "photographs"

Page 17, line 10, delete "in size"

Page 17, line 19, after the semicolon, insert "and"

Page 17, line 23, delete "; and" and insert a period

Page 17, delete lines 24 to 27

Page 17, line 32, delete "An"

Page 17, delete lines 33 to 36

Page 18, line 18, delete "\$25" and insert "\$3"

Page 18, delete lines 21 to 30 and insert:

"Subdivision 1. [INVESTIGATION.] Within ten days after receiving an application from an applicant's employer, the commissioner shall undertake

a criminal history name check and any other investigation the commissioner determines appropriate. If the investigation discloses information that would disqualify an applicant for registration, the commissioner shall inform the employer, who shall immediately terminate the employee."

Page 19, line 2, delete "four years" and insert "one year"

Page 19, line 3, delete "four-year" and insert "one-year"

Page 19, line 5, delete "\$25" and insert "\$3"

Page 19, line 8, delete everything after "termination"

Page 19, line 9, delete "seven" and insert "30"

Page 20, delete section 18

Page 21, line 1, delete "299K.18" and insert "299K.17" and before "No" insert paragraph coding

Page 21, line 4, after "employees" insert "of license holders"

Page 21, delete section 20 and insert:

"Sec. 19. [EXISTING EMPLOYEES.]

Notwithstanding sections 13 to 15, a person employed as an employee on the effective date of this chapter shall register with the commissioner within 60 days after the effective date. A person employed as an armed employee shall complete the training required for registration as an armed employee within six months of the effective date. A person covered by this section shall, in addition, comply with the continuing training requirements prescribed by the commissioner."

Page 22, line 21, after "326.339" insert "; and Minnesota Statutes 1989 Supplement, sections 326.32, subdivisions 10c and 13; 326.3381, subdivision 1a; and 326.3384, subdivision 1a."

Page 22, line 23, delete "1990" and insert "1991"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after "employees" insert "and of proprietary guards"

Page 1, line 15, before the period, insert "; Minnesota Statutes 1989 Supplement, sections 326.32, subdivisions 10c and 13; 326.3381, subdivision 1a; and 326.3384, subdivision 1a"

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

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

S.F. No. 1674: A bill for an act relating to agriculture; providing grasshopper control; authorizing levies; appropriating money; amending Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 18; repealing Minnesota Statutes 1989 Supplement, section 18.0266.

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

Delete everything after the enacting clause and insert:

“Section 1. [18.0228] [CONTROL PROVISIONS.]

Subdivision 1. [PESTICIDE RECOMMENDATIONS.] The commissioner of agriculture, in consultation with the Minnesota extension entomologist, shall prepare a list of registered pesticides and label requirements for use in the grasshopper control program as soon as possible but not later than May 1. The commissioner must recommend pesticides and application methods that will minimize the adverse impact on foraging bees. The pesticides must economically and efficiently control grasshoppers and minimize adverse environmental impacts. Grasshopper control may only be conducted under this chapter with pesticides according to their label requirements. The commissioner shall prescribe the list of pesticides and label requirements and methods to determine grasshopper densities and densities causing economic or potential economic damage by May 1, notwithstanding chapter 14, except section 14.38, subdivisions 7 and 8, must be complied with.

Subd. 2. [INDIVIDUAL NOTICES.] (a) The individual notices required under this chapter for the grasshopper control program must be in the form provided in this subdivision.

(b) The individual notice must be in a form prescribed by the commissioner and state at least the following:

- (1) the legal description of the property covered by the notice to control;*
- (2) the date the notice is issued;*
- (3) the name and work telephone number of the inspector issuing the notice;*
- (4) the grasshopper counts found on the property;*
- (5) the approximate date the grasshoppers on the property will be controlled by the county or municipality if the owner or occupant does not comply with the notice, which must be at least three days after the date the notice was served;*
- (6) that the costs of the control will be a lien and applied against the property's tax roll; and*
- (7) that the owner or occupant may contact the inspector about the notice before the time that the county or the municipality will control grasshoppers, which must be at least three days after the date the notice was served.*

Subd. 3. [EFFECTS ON FORAGING BEES.] (a) Minnesota extension shall hold meetings in each county that has a grasshopper control zone explaining grasshopper control methods and procedures to minimize adverse effects on foraging bees.

(b) The commissioner shall notify all the licensed commercial pesticide applicators, the county extension agents, and licensed pesticide dealers in each county where grasshopper control zones are designated of the location where honeybee colonies are located as registered under section 19.64, subdivision 1, including the names, addresses, and telephone numbers of the owners of the honeybee colonies. Updates on known honeybee location changes will be supplied on a monthly basis. The commissioner shall provide a list of licensed commercial pesticide applicators to the registered

beekeepers in the designated control zones.

(c) Beekeepers shall give oral and written notification to owners and occupants, if other than the owner, and persons applying pesticides of the location of areas where bees are foraging. The written notice must contain the name, address, and telephone number of the beekeeper and the location and owners of fields where the bees forage and where the hives are located. The notice shall include a map of where bee colonies are located and the field where the bees are foraging with the names of the owners.

(d) Beekeepers, owners, and persons applying pesticides must cooperate and consider effects of pesticides on foraging bees and when application can be made causing the least adverse effects on bees.

Subd. 4. [EXEMPTION OF CERTAIN LANDS.] (a) The commissioner, upon written request from any person or organization, may exempt from grasshopper control measures a parcel of land that the commissioner determines to be of particular scientific or natural significance or is particularly sensitive to the use of insecticides or other control methods being used. The request for exemption must include at least the following:

(1) the name and address of the person or organization making the request;

(2) the acreage and legal description of the parcel; and

(3) a statement of the specific reasons why an exemption is reasonable.

(b) A decision of the commissioner under paragraph (a) must occur within 48 hours and be in writing and delivered to the person or organization making the request and the clerk of the town in which the property is located. The commissioner, counties, towns, and their agents are not liable for damages from exemptions granted under this subdivision.

(c) The commissioner must offer compensation to adjoining landowners of exempted land.

Subd. 5. [APPEAL OF CONTROL COSTS.] A person who is required to control grasshoppers and is charged for grasshopper control may appeal the cost of grasshopper control to the county board within 30 days after being charged. The county board shall approve the charge and filing of the lien against the property if it determines that:

(1) the owner, or occupant if other than the owner, responsible for controlling grasshoppers did not comply with the order of the inspector; and

(2) the grasshopper densities on the property exceeded the densities determined by the commissioner to cause economic or potential economic damage.

Sec. 2. [18.0229] [LIABILITY.]

Subdivision 1. [COUNTIES AND TOWNSHIPS.] Counties and townships and their agents are not liable for damages from the grasshopper control program for actions conducted in accordance with sections 18.0223 to 18.0228.

Subd. 2. [LANDOWNERS.] (a) Notwithstanding other law, a person who has grasshoppers on the person's property in densities greater than the density determined by the commissioner to cause economic or potential economic damage is liable for control costs on and damages caused by the grasshoppers to adjoining property if the person:

- (1) *has not used available methods to control the grasshoppers; or*
- (2) *has not made agreements with landowners to compensate them for grasshopper damage.*

(b) An inspector may enter any land to inspect grasshopper densities. If an inspector determines the density of grasshoppers is greater than the density determined by the commissioner to cause economic or potential economic damage, it is presumed that the grasshoppers are the grasshoppers causing damage on adjoining property unless the owner proves otherwise.

Subd. 3. [FORAGING BEES.] Sections 18.0223 to 18.0228 do not provide any liability for damages to foraging bees and it is a complete defense to liability under other law if:

- (1) damage relating to foraging bees is incurred while the bees are foraging on a person's property without permission;*
- (2) the beekeeper has not notified the property owner where the bees are foraging as provided in section 1; or*
- (3) the bees are not registered as provided in section 19.64 or the beekeeper does not have a written agreement to keep bees on property not owned by the beekeeper.*

Sec. 3. [18.205] [PUBLIC UTILITY EASEMENTS.]

(a) For property that is subject to a public utility easement, the person controlling the surface of the land other than the holder of the public utility easement is the person responsible for control of noxious weeds and plant pests under this chapter.

(b) For purposes of this section, a "public utility easement" means an easement used for the purposes of transmission, distribution, furnishing at wholesale or retail natural or manufactured gas, or electric or telephone service, by a public utility as defined in section 216B.02, subdivision 4, a cooperative electric association organized under chapter 308A, a telephone company as defined in section 237.01, subdivisions 2 and 3, or a municipality producing or furnishing gas, electric, or telephone service.

Sec. 4. Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5, is amended to read:

Subd. 5. Notwithstanding any other law to the contrary for taxes levied in 1989 payable in 1990 and subsequent years, "special levies" means those portions of ad valorem taxes levied by governmental subdivisions to:

(a) for taxes levied in 1990, payable in 1991 and subsequent years, pay the costs not reimbursed by the state or federal government, of payments made to or on behalf of recipients of aid under any public assistance program authorized by law, and the costs of purchase or delivery of social services. The aggregate amounts levied under this clause for the costs of purchase or delivery of social services and income maintenance programs, other than those identified in section 273.1398, subdivision 1, paragraph (i), are subject to a maximum increase over the amount levied for the previous year of 12 percent for counties within the metropolitan area as defined in section 473.121, subdivision 2, or counties outside the metropolitan area but containing a city of the first class, and 15 percent for other counties. For purposes of this clause, "income maintenance programs" include income maintenance programs in section 273.1398, subdivision 1, paragraph (i),

to the extent the county provides benefits under those programs over the statutory mandated standards. Effective with taxes levied in 1990, the portion of this special levy for human service programs identified in section 273.1398, subdivision 1, paragraph (i), is eliminated;

(b) pay the costs of principal and interest on bonded indebtedness except on bonded indebtedness issued under section 471.981, subdivisions 4 to 4c, or to reimburse for the amount of liquor store revenues used to pay the principal and interest due in the year preceding the year for which the levy limit is calculated on municipal liquor store bonds;

(c) pay the costs of principal and interest on certificates of indebtedness, except tax anticipation or aid anticipation certificates of indebtedness, issued for any corporate purpose except current expenses or funding an insufficiency in receipts from taxes or other sources or funding extraordinary expenditures resulting from a public emergency; and to pay the cost for certificates of indebtedness issued pursuant to sections 298.28 and 298.282;

(d) fund the payments made to the Minnesota state armory building commission pursuant to section 193.145, subdivision 2, to retire the principal and interest on armory construction bonds;

(e) provide for the bonded indebtedness portion of payments made to another political subdivision of the state of Minnesota;

(f) pay the amounts required, in accordance with section 275.075, to correct for a county auditor's error of omission but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;

(g) pay amounts required to correct for an error of omission in the levy certified to the appropriate county auditor or auditors by the governing body of a city or town with statutory city powers in a levy year, but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;

(h) pay amounts required by law to be paid to pay the interest on and to reduce the unfunded accrued liability of public pension funds in accordance with the actuarial standards and guidelines specified in sections 356.215 and 356.216 reduced by 106 percent of the amount levied for that purpose in 1976, payable in 1977. For the purpose of this special levy, the estimated receipts expected from the state of Minnesota pursuant to sections 69.011 to 69.031 or any other state aid expressly intended for the support of public pension funds shall be considered as a deduction in determining the required levy for the normal costs of the public pension funds. No amount of these aids shall be considered as a deduction in determining the governmental subdivision's required levy for the reduction of the unfunded accrued liability of public pension funds;

(i) to compensate the state for the cost of a reassessment ordered by the commissioner of revenue pursuant to section 270.16;

(j) pay the debt service on tax increment financing revenue bonds to the extent that revenue to pay the bonds or to maintain reserves for the bonds is insufficient as a result of the provisions of Laws 1988, chapter 719,

article 5;

(k) pay the cost of hospital care under section 261.21;

(l) pay the unreimbursed costs incurred in the previous year to satisfy judgments rendered against the governmental subdivision by a court of competent jurisdiction in any tort action, or to pay the costs of settlements out of court against the governmental subdivision in a tort action when substantiated by a stipulation for the dismissal of the action filed with the court of competent jurisdiction and signed by both the plaintiff and the legal representative of the governmental subdivision, provided that an appeal for the unreimbursed costs under this clause was approved by the commissioner of revenue under section 275.51, subdivision 3;

(m) pay the expenses reasonably and necessarily incurred in preparing for or repairing the effects of natural disaster including the occurrence or threat of widespread or severe damage, injury, or loss of life or property resulting from natural causes such as earthquake, fire, flood, wind storm, wave action, oil spill, water contamination, air contamination, or drought in accordance with standards formulated by the emergency services division of the state department of public safety, provided that an appeal for the expenses incurred under this clause were approved by the commissioner of revenue under section 275.51, subdivision 3;

(n) pay a portion of the losses in tax receipts to a city due to tax abatements or court actions in the year preceding the current levy year, provided that an appeal for the tax losses was approved by the commissioner of revenue under section 275.51, subdivision 3. This special levy is limited to the amount of the losses times the ratio of the nonspecial levies to total levies for taxes payable in the year the abatements were granted. County governments are not authorized to claim this special levy;

(o) pay the operating cost of regional library services authorized under section 134.34, subject to a maximum increase over the previous year of the greater of (1) 103 percent multiplied by one plus the percentage increase determined for the governmental subdivision under section 275.51, subdivision 3h, clause (b), or (2) six percent. If a governmental subdivision elected to include some or all of its levy for libraries within its adjusted levy limit base in the prior year, but elects to claim the levy as a special levy in the current levy year, the allowable increase is determined by applying the greater percentage determined under clause (1) or (2) to the total amount levied for libraries in the prior levy year. After levy year 1989, the increase must not be determined using a base amount other than the amount that could have been levied as a special levy in the prior year. In no event shall the special levy be less than the minimum levy required under sections 134.33 and 134.34, subdivisions 1 and 2;

(p) pay the amount of the county building fund levy permitted under section 373.40, subdivision 6;

(q) pay the county's share of the costs levied in 1989, 1990, and 1991 for the Minnesota cooperative soil survey under Minnesota Statutes 1988, section 40.07, subdivision 15;

(r) for taxes levied in 1989, payable in 1990 only, pay the cost incurred for the minimum share required by counties levying for the first time under section 134.34 as required under section 134.341. For taxes levied in 1990, and thereafter, counties levying under this provision must levy under clause (o), and their allowable increase must be determined with reference to the

amount levied in 1989 under this paragraph:

(s) for taxes levied in 1989, payable in 1990 only, provide an amount equal to 50 percent of the estimated amount of the reduction in aids to a county under sections 273.1398, subdivision 2, paragraph (d), and 477A.012, subdivision 3, for aids payable in 1990;

(t) for taxes levied in 1990 only by a county in the eighth judicial district, provide an amount equal to the amount of the levy, if any, that is required under Laws 1989, chapter 335, article 3, section 54, subdivision 8;

(u) for taxes levied in 1989, payable in 1990 only, pay the costs not reimbursed by the state or federal government:

(i) for the costs of purchase or delivery of social services. The aggregate amounts levied under this item are subject to a maximum increase over the amount levied in the previous year of 12 percent for counties within the metropolitan area as defined in section 473.121, subdivision 2, or counties outside the metropolitan area but containing a city of the first class, and 15 percent for other counties.

(ii) for payments made to or on behalf of recipients of aid under any public assistance program authorized by law. The aggregate amounts levied under this item are subject to a maximum increase over the amount levied in the previous year of 12 percent and must be used only for the public assistance programs; ~~and.~~

If the amount levied in 1989 under this paragraph is less than the actual expenditures needed for these programs for 1990, the difference between the actual expenditures and the amount levied may be levied in 1990 as a special levy. If the amount levied in 1989 under this paragraph is greater than the actual expenditures needed for these programs for 1990, the difference between the amount levied and the actual expenditures shall be deducted from the 1990 levy limit, payable in 1991;

(v) pay an amount of up to 25 percent of the money sought for distribution and approved under section 115A.557, subdivision 3, paragraph (b), clause (3); *and*

(w) for taxes levied in 1990, payable in 1991 only, provide an amount equal to the expenditure by a county in 1989, 1990, and 1991 for the purpose of grasshopper control; and, for taxes levied in 1991 only, provide an amount equal to the expenditure by a county in 1992 for the purpose of grasshopper control.

~~If the amount levied in 1989 is less than the actual expenditures needed for these programs for 1990, the difference between the actual expenditures and the amount levied may be levied in 1990 as a special levy. If the amount levied in 1989 is greater than the actual expenditures needed for these programs for 1990, the difference between the amount levied and the actual expenditures shall be deducted from the 1990 levy limit, payable in 1991.~~

Sec. 5. [COUNTIES; TAX ANTICIPATION NOTES.]

A county board may, by resolution, issue and sell certificates of indebtedness in anticipation of the collection of the taxes authorized to be levied as special levies under Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5, clause (w). The face amount of the certificates may not exceed the amount authorized under that paragraph. Issuance of

the certificates is subject to Minnesota Statutes 1989 Supplement, section 383.06, except that any county that levies under Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5, clause (w), may issue the certificates, and the limitations on the amount of certificates that may be issued do not apply.

Sec. 6. [GRASSHOPPER CONTROL APPROPRIATION.]

Subdivision 1. [APPROPRIATION.] \$2,500,000 is appropriated from the general fund to the commissioner of finance to pay grasshopper control costs in 1989 and 1990.

Subd. 2. [REIMBURSEMENT.] The commissioner of finance shall reimburse counties for up to 50 percent of the county and town costs of grasshopper control in 1989 in the grasshopper control zone. Towns shall certify and submit actual costs to the county treasurer by July 1, 1990. The counties shall certify their costs and submit county and town costs to the commissioner of finance by August 1, 1990. The commissioner shall reimburse counties and towns up to 50 percent of their costs from the appropriation.

Sec. 7. [REPEALER.]

Minnesota Statutes 1989 Supplement, section 18.0226, is repealed.

Sec. 8. [EFFECTIVE DATE.]

Section 4 is effective for taxes levied in 1990 and 1991. Sections 1 to 3 and 5 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, after "control;" insert "authorizing the commissioner to exempt certain lands from grasshopper control; exempting certain persons from losses relating to grasshopper control; clarifying when public utilities are subject to grasshopper control; providing for notices for control and approval of grasshopper control costs;"

Page 1, line 7, delete "18.0266" and insert "18.0226"

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

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 2281: A bill for an act relating to port authorities; allowing a port authority to use foreign trade zone powers, if granted, outside its port district; amending Minnesota Statutes 1988, section 469.059, subdivision 14.

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

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 2303: A bill for an act relating to economic development; establishing a board of invention; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

Reports the same back with the recommendation that the bill do pass

and be re-referred to the Committee on Governmental Operations. Report adopted.

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 2219: A bill for an act relating to towns; providing for state participation in sewer and water development; providing for the issuance of state bonds; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

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

Delete everything after the enacting clause and insert:

“Section 1. [SMALL CITY AND TOWN SEWER AND WATER FINANCING STUDY.]

The legislative task force on small city and town sewer and water financing is composed of three members of the senate appointed by the subcommittee on committees of the senate rules and administration committee and three members of the house of representatives appointed by the speaker of the house. The Minnesota public facilities authority, the pollution control agency, and the department of health shall advise and assist the task force. The task force shall study and report to the legislature by January 15, 1991, recommendations for financing small city and town sewer and water improvements. The recommendations must not include state appropriations or the sale of state general obligation bonds to pay for these improvements, but may consider the use of state revenue bonds payable from the proceeds of city or town taxes, special assessments, user charges, or a combination of these revenue sources. The recommendations must consider the areas of the state where financial assistance is needed because of the following factors:

- (1) city or town tax resources;*
- (2) city or town special assessment resources;*
- (3) concentration of population and other demographic characteristics of the cities or towns;*
- (4) contributions of a city or town to the provision of the improvements;*
- (5) environmental considerations;*
- (6) relative public health hazards;*
- (7) relative needs of various eligible cities or towns;*
- (8) limited or contaminated potable water supplies; and*
- (9) other criteria that the task force determines are appropriate.*

The task force expires January 15, 1991.

Sec. 2. [APPROPRIATION.]

\$10,000 is appropriated from the general fund to the task force on small city and town sewer and water financing.”

Amend the title as follows:

Page 1, delete lines 2 to 6 and insert “relating to cities and towns;

establishing a task force on small city and town sewer and water financing; appropriating money.”

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2208: A bill for an act relating to crimes; making it a crime for an alleged or adjudicated juvenile delinquent who is 18 years old to escape from a local juvenile correctional facility; amending Minnesota Statutes 1988, section 609.485, subdivisions 2 and 4.

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

Page 1, after line 7, insert:

“Section 1. Minnesota Statutes 1988, section 260.015, subdivision 5, is amended to read:

Subd. 5. [DELINQUENT CHILD.] “Delinquent child” means a child:

(a) Who has violated any state or local law, except as provided in section 260.193, subdivision 1, and except for juvenile offenders as described in subdivisions 19 to 23; or

(b) Who has violated a federal law or a law of another state and whose case has been referred to the juvenile court if the violation would be an act of delinquency if committed in this state or a crime or offense if committed by an adult; or

(c) Who has escaped from confinement to a state juvenile correctional facility after being committed to the custody of the commissioner of corrections; or

(d) Who has escaped from confinement to a local juvenile correctional facility after being committed to the facility by the court.

Sec. 2. Minnesota Statutes 1989 Supplement, section 260.125, subdivision 3, is amended to read:

Subd. 3. A prima facie case that the public safety is not served or that the child is not suitable for treatment shall have been established if the child was at least 16 years of age at the time of the alleged offense and:

(1) is alleged by delinquency petition to have committed an aggravated felony against the person and (a) in committing the offense, the child acted with particular cruelty or disregard for the life or safety of another; or (b) the offense involved a high degree of sophistication or planning by the juvenile; or

(2) is alleged by delinquency petition to have committed murder in the first degree; or

(3) is alleged by delinquency petition (a) to have committed the delinquent act of escape from confinement to a state juvenile correctional facility or a local juvenile correctional facility and (b) to have committed an offense as part of, or subsequent to, escape from custody that would be a felony listed in section 609.11, subdivision 9, if committed by an adult; or

(4) has been found by the court, pursuant to an admission in court or

after trial, to have committed an offense within the preceding 24 months which would be a felony if committed by an adult, and is alleged by delinquency petition to have committed murder in the second or third degree, manslaughter in the first degree, criminal sexual conduct in the first degree or assault in the first degree; or

(5) has been found by the court, pursuant to an admission in court or after trial, to have committed two offenses, not in the same behavioral incident, within the preceding 24 months which would be felonies if committed by an adult, and is alleged by delinquency petition to have committed manslaughter in the second degree, kidnapping, criminal sexual conduct in the second degree, arson in the first degree, aggravated robbery, or assault in the second degree; or

(6) has been found by the court, pursuant to an admission in court or after trial, to have committed two offenses, not in the same behavioral incident, within the preceding 24 months, one or both of which would be the felony of burglary of a dwelling if committed by an adult, and the child is alleged by the delinquency petition to have committed another burglary of a dwelling. For purposes of this subdivision, "dwelling" means a building which is, in whole or in part, usually occupied by one or more persons living there at night; or

(7) has previously been found by the court, pursuant to an admission in court or after trial, to have committed three offenses, none in the same behavioral incident, within the preceding 24 months which would be felonies if committed by an adult, and is alleged by delinquency petition to have committed any felony other than those described in clause (2), (4), or (5); or

(8) is alleged by delinquency petition to have committed an aggravated felony against the person, other than a violation of section 609.713, in furtherance of criminal activity by an organized gang; or

(9) has previously been found by the court, pursuant to an admission in court or after trial, to have committed an offense which would be a felony if committed by an adult, and is alleged by delinquency petition to have committed a felony-level violation of chapter 152 involving the unlawful sale or possession of a schedule I or II controlled substance, while in a park zone or a school zone as defined in section 152.01, subdivisions 12a and 14a. This clause does not apply to a juvenile alleged to have unlawfully possessed a controlled substance in a private residence located within the school zone or park zone.

For the purposes of this subdivision, "aggravated felony against the person" means a violation of any of the following provisions: section 609.185; 609.19; 609.195; 609.20, subdivision 1 or 2; 609.221; 609.222; 609.223; 609.245; 609.25; 609.342; 609.343; 609.344, subdivision 1, clause (c) or (d); 609.345, subdivision 1, clause (c) or (d); 609.561; 609.582, subdivision 1, clause (b) or (c); or 609.713.

For the purposes of this subdivision, an "organized gang" means an association of five or more persons, with an established hierarchy, formed to encourage members of the association to perpetrate crimes or to provide support to members of the association who do commit crimes."

Page 1, line 13, strike "of the"

Page 1, line 14, strike "commissioner of corrections"

Page 1, delete lines 16 to 18

Page 1, line 19, reinstate the stricken "(2)" and delete "(3)"

Page 1, line 23, reinstate the stricken "(3)" and delete "(4)"

Page 1, line 26, reinstate the stricken "(4)" and delete "(5)"

Page 2, line 24, strike "of the commissioner of corrections"

Page 2, delete lines 28 to 32

Page 2, line 33, reinstate the stricken "(4)" and delete "(5)"

Page 2, line 36, reinstate the stricken "(5)" and delete "(6)"

Page 3, line 4, reinstate the stricken "and" and delete ", and (5)"

Page 3, line 5, reinstate the stricken "(6)" and delete "(7)"

Page 3, line 10, reinstate the stricken language and delete the new language

Page 3, line 20, delete "(9)" and insert "(8)" and delete "(7)" and insert "(6)"

Page 3, line 31, delete "1 and 2" and insert "3 and 4"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "providing that it is a prima facie case for reference for prosecution as an adult if a child is alleged to have committed a felony offense as part of, or subsequent to, the delinquent act of escape from confinement to a local juvenile correctional facility;"

Page 1, line 5, delete "section" and insert "sections 260.015, subdivision 5; and"

Page 1, line 6, before the period, insert "; and Minnesota Statutes 1989 Supplement, section 260.125, subdivision 3"

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

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

S.F. No. 2127: A bill for an act relating to forestry; implementing a statewide program to encourage maintenance and expansion of community and urban forests; assigning responsibilities to various state agencies and municipalities.

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

Pages 1 and 2, delete section 1

Page 2, line 2, before the headnote, insert "[17.86]"

Page 2, line 11, delete "Minnesota department" and insert "commissioner"

Page 2, line 13, after "state" insert a semicolon

Page 2, line 14, delete "thereof" and insert "of trees"

Page 2, line 15, after "settings" delete the comma

Page 2, line 16, after "*University*" insert "*of Minnesota*"

Page 2, line 17, delete "*department of agriculture*" and insert "*commissioner*" and delete "*also*"

Page 2, line 21, delete "*department*" and insert "*commissioners*" and after "*of*" insert "*agriculture, education, natural resources, and*"

Page 2, line 28, delete "*In addition,*" and delete "*department of agriculture*" and insert "*commissioner*"

Page 2, line 29, delete "*serve as a clearing house*" and insert "*establish an information source*"

Page 2, line 30, delete "*matching up*" and insert "*to match*"

Page 2, line 32, delete "*department*" and insert "*commissioner*"

Page 2, line 35, delete the second "*department*" and insert "*commissioner of transportation*"

Page 2, line 36, delete "*also*"

Page 3, line 2, delete "*place of unsightly*" and insert "*conjunction with*"

Page 3, line 3, after "SCHOOL" insert "ARBOR DAY" and delete "*departments*" and insert "*commissioners*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, before the period, insert "; proposing coding for new law in Minnesota Statutes, chapter 17"

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

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

H.F. No. 1895 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1895	1917				

and that the above Senate File be indefinitely postponed.

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

Mr. Merriam from the Committee on Finance, to which was referred the following appointment as reported in the Journal for February 12, 1990:

DEPARTMENT OF FINANCE
COMMISSIONER

Peter Hutchinson

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1835: A bill for an act relating to health; requiring insurers to provide medical malpractice insurance premium discounts to qualifying physicians; requiring the commissioner of health to purchase vaccine for resale to medical providers at discounted prices; declaring the goal of the legislature to achieve full funding for the WIC program by 1993; establishing additional responsibilities of the commissioner of health relating to the WIC program; requiring the commissioner of human services to seek federal approval to eliminate eligibility redeterminations for certain pregnant women and infants; expanding eligibility for the children's health plan to include certain pregnant women and children up to age six; increasing medical assistance income limits for pregnant women and children up to age seven; increasing payment rates for prenatal care and delivery services; requiring a plan to improve utilization rates for prenatal care and preventive care for children; expanding the prenatal care media outreach campaign; requiring the boards of medical examiners and nursing to report on complaints relating to obstetrics, gynecology, prenatal care, and delivery; appropriating money; amending Minnesota Statutes 1988, sections 214.07, subdivision 1, and by adding a subdivision; and 256.936, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 145.894; 256.936, subdivision 1; 256B.04, subdivision 17; and 256B.057, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 60A and 144.

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

Page 1, line 35, delete "20" and insert "21"

Page 2, line 12, before "services" insert "obstetrical"

Pages 2 to 4, delete sections 4 to 8 and insert:

"Sec. 4. [60A.43] [MEDICAL MALPRACTICE INSURANCE PREMIUM DISCOUNT.]

Subdivision 1. [APPLICATION.] A professional nurse-midwife or physician whose medical practice includes obstetrics may apply to an insurer for a medical malpractice insurance premium discount. The insurer shall give the premium discount to physicians and nurse-midwives qualifying for the discount as provided in subdivision 2.

Subd. 2. [QUALIFICATION.] A physician or nurse-midwife qualifies for a premium discount for medical malpractice insurance coverage if:

(1) at least 20 percent of the projected patient encounters of the physician

or nurse-midwife during the policy year consist of qualifying obstetrical services;

(2) the physician or nurse-midwife completes 15 hours of continuing education during the term of the policy on patient safety and risk reduction subjects related to the physician's or nurse-midwife's obstetrical practice that are approved by the board of medical examiners, for physicians, and the board of nursing, for professional nurse-midwives, in consultation with the commissioner of health; and

(3) the physician or nurse-midwife submits an application to the insurer no later than 30 days before the beginning of the term of the policy, stating that the physician or nurse-midwife qualifies for a premium discount under this section.

Subd. 3. [PREMIUM DISCOUNT APPROVAL.] *The commissioner shall approve premium discounts to be used by each insurer. The commissioner shall base the approved discounts upon loss and statistical data provided by each insurer.*

Sec. 5. [60A.44] [VERIFICATION.]

Subdivision 1. [PROCEDURE.] *The commissioner of commerce, with the assistance of the commissioner of human services and the commissioner of health, shall establish a verification procedure for determining if the physician or nurse-midwife provided the qualifying services necessary to qualify for the premium discount during the preceding policy year.*

Subd. 2. [PENALTY CHARGE.] *If a physician or nurse-midwife did not provide qualifying services in 20 percent or more of patient encounters during the preceding policy year, the insurer may charge the physician or nurse-midwife an amount equal to the difference between the premium paid and the premium that would have been due if the physician or nurse-midwife had not received the premium discount plus 20 percent of the amount of the total premium that would have been due without the premium discount.*

Subd. 3. [EXEMPTION.] *If a physician or nurse-midwife who has received the premium discount for the policy year submits the difference between the premium paid and the premium that would have been due if the physician or nurse-midwife had not received the premium discount plus six percent interest on the unpaid premium prior to 30 days before the expiration of the policy year, the physician or nurse-midwife will not be subject to the penalty authorized under subdivision 2.*

Sec. 6. [60A.45] [INSURER PROHIBITIONS.]

An insurer shall not cancel or refuse to renew a physician's or nurse-midwife's medical malpractice insurance coverage solely on the basis that the physician or nurse-midwife is eligible for a premium discount.

Sec. 7. [60A.46] [RULES.]

The commissioner shall adopt rules to implement the duties specified in sections 4 and 5.

Sec. 8. [144.062] [VOLUME PURCHASE OF VACCINE FOR SALE TO MEDICAL CARE PROVIDERS.]

The commissioner of administration, after consulting the commissioner of health, shall purchase vaccine, under section 16B.07, directly from

manufacturers at reduced prices and offer it for sale to medical care providers at the department's cost plus a fee for administrative costs. As a condition of purchasing the vaccine at a reduced cost, a medical care provider must agree to pass on the savings to patients. The commissioner of health may reallocate money appropriated for other department of health programs and transfer the reallocated money to the commissioner of administration for the initial cost of purchasing vaccine, provided the money is repaid by the end of each state fiscal year and the commissioner of finance approves the reallocation and transfer. Proceeds from the sale of vaccines to medical care providers are appropriated to the commissioner of health, except that fees collected for the administrative costs of the department of administration are appropriated to the commissioner of administration. If the commissioner of administration, in consultation with the commissioner of health, determines that a volume purchasing program is not economically feasible or cost effective, the commissioner may elect not to implement the program, but shall provide a report to the legislature that explains the reasons for the decision."

Page 5, line 9, delete "must" and insert "shall"

Page 11, line 35, delete "must" and insert "shall"

Page 12, after line 22, insert:

"Sec. 20. [LEGISLATIVE RECOMMENDATIONS.]

The commissioner of commerce shall review and report on the medical malpractice insurance premium discounts authorized under sections 3 to 7 to the legislature by January 1, 1991."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after "physicians" insert "and professional nurse-midwives"

Page 1, line 5, delete "health" and insert "administration"

Page 1, line 25, after "delivery;" insert "requiring a report;"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2204: A bill for an act relating to human services; establishing requirements, procedures, and incentives for child support and medical support enforcement; appropriating money; amending Minnesota Statutes 1988, sections 171.07, subdivision 1a; 518.551, subdivisions 1 and 5; 518.611, subdivisions 1, 2, 8, 8a, and by adding a subdivision; 518C.02, by adding subdivisions; 518C.03; 518C.05; 518C.09; 518C.12; 518C.27, subdivision 1; and Minnesota Statutes 1989 Supplement, sections 256.74, subdivision 1; 518.551, subdivision 10; 518.611, subdivision 4; 518.613, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 256.

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

Page 6, lines 19, 22, and 26, after "each" insert "additional"

Page 6, after line 26, insert:

“(d) Bonus payments according to paragraphs (a) to (c) are limited to one bonus for each covered person each time the county agency identifies previously unidentified health insurance coverage.”

Page 6, after line 35, insert:

“Sec. 4. Minnesota Statutes 1989 Supplement, section 257.57, subdivision 1, is amended to read:

Subdivision 1. A child, the child’s biological mother, or a man presumed to be the child’s father under section 257.55, subdivision 1, clause (a), (b), or (c) may bring an action:

(a) At any time for the purpose of declaring the existence of the father and child relationship presumed under section 257.55, subdivision 1, clause (a), (b), or (c); or

(b) Within three years after the child’s birth for the purpose of declaring the nonexistence of the father and child relationship presumed under section 257.55, subdivision 1, clause (a), (b), or (c). However, if the presumed father was divorced from the child’s mother ~~after service by publication,~~ and, if, on or before the 280th day after the judgment and decree of divorce or dissolution became final, he did not know that the child was born during the marriage or within 280 days after the marriage was terminated, the action is not barred until one year after the child reaches the age of majority. After the presumption has been rebutted, paternity of the child by another man may be determined in the same action, if he has been made a party.”

Page 7, lines 7 to 11, delete the new language and insert *“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.”*

Page 9, line 10, delete *“expense reimbursement or”*

Page 9, line 18, after *“including”* insert *“in-kind income and”*

Page 12, line 32, delete everything after *“birth”*

Page 12, delete line 33

Page 12, line 34, delete *“a holder;”*

Page 14, delete lines 2 to 6 and insert:

“(f) Absent a court order to the contrary, if an arrearage exists at the time an order for ongoing support or maintenance would otherwise terminate, income withholding shall continue in effect in an amount equal to the former support or maintenance obligation plus an additional amount equal to 20 percent of the monthly child support obligation, until all arrears have been paid in full.”

Page 14, line 17, before the first *“The”* insert *“When issuing an order under this subdivision,”*

Page 14, lines 17 and 18, delete *“and the financial institution or other entity holding funds”*

Page 14, line 19, after “*the*” insert “*account numbers and the financial institutions for all accounts of which the obligor is a holder, and shall order the obligor and the financial institution or other entity holding funds to advise the public authority responsible for child support enforcement of the*”

Page 14, line 20, after “*account*” insert a comma

Page 16, line 34, delete everything after “*birth*”

Page 16, delete line 35

Page 20, line 31, delete “6” and insert “7”

Page 20, line 32, after the period, insert “*Section 4 is effective the day following final enactment and applies to actions brought after January 1, 1986.*”

ReNUMBER the sections in sequence

Amend the title as follows:

Page 1, line 11, after “1;” insert “257.57, subdivision 1;”

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 365: A bill for an act relating to education; establishing a state system of post-secondary vocational technical education; amending Minnesota Statutes 1988, sections 43A.08, subdivision 1; 136C.02, subdivision 5; 136C.04, subdivisions 2, 3, 5, 12, 13, 14, and by adding a subdivision; 136C.08, subdivision 1; 136C.15; 136C.26, subdivision 5; 136C.31, subdivision 1; 136C.41, by adding a subdivision; 136C.42, subdivisions 3 and 4; 136C.44; 179A.10, subdivisions 1 and 2; and 275.125, subdivision 14a; proposing coding for new law in Minnesota Statutes, chapter 136C; repealing Minnesota Statutes 1988, sections 136C.02, subdivisions 6, 7, 8, and 9; 136C.04, subdivision 16; 136C.041; 136C.05; 136C.07, subdivisions 1, 2, 3, 4, 5, 5a, and 6; 136C.25; 136C.29; 136C.36; 136C.60; 136C.61; 136C.62; 136C.63; 136C.64; 136C.65; 136C.66; 136C.67; 136C.68; and 136C.69.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1989 Supplement, section 43A.08, subdivision 1, is amended to read:

Subdivision 1. [UNCLASSIFIED POSITIONS.] Unclassified positions are held by employees who are:

(a) chosen by election or appointed to fill an elective office;

(b) heads of agencies required by law to be appointed by the governor or other elective officers, and the executive or administrative heads of departments, bureaus, divisions, and institutions specifically established by law in the unclassified service;

(c) deputy and assistant agency heads and one confidential secretary in the agencies listed in subdivision 1a;

(d) the confidential secretary to each of the elective officers of this state and, for the secretary of state, state auditor, and state treasurer, an additional deputy, clerk, or employee;

(e) intermittent help employed by the commissioner of public safety to assist in the issuance of vehicle licenses;

(f) employees in the offices of the governor and of the lieutenant governor and one confidential employee for the governor in the office of the adjutant general;

(g) employees of the Washington, D.C., office of the state of Minnesota;

(h) employees of the legislature and of legislative committees or commissions; provided that employees of the legislative audit commission, except for the legislative auditor, the deputy legislative auditors, and their confidential secretaries, shall be employees in the classified service;

(i) presidents, vice-presidents, deans, other managers and professionals in academic and academic support programs, administrative or service faculty, teachers, research assistants, and student employees eligible under terms of the federal economic opportunity act work study program in the school and resource center for the arts, state universities and, community colleges, and technical colleges, but not the custodial, clerical, or maintenance employees, or any professional or managerial employee performing duties in connection with the business administration of these institutions;

(j) officers and enlisted persons in the national guard;

(k) attorneys, legal assistants, examiners, and three confidential employees appointed by the attorney general or employed with the attorney general's authorization;

(l) judges and all employees of the judicial branch, referees, receivers, jurors, and notaries public, except referees and adjusters employed by the department of labor and industry;

(m) members of the state patrol; provided that selection and appointment of state patrol troopers shall be made in accordance with applicable laws governing the classified service;

(n) chaplains employed by the state;

(o) examination monitors and intermittent training instructors employed by the departments of employee relations and commerce and by professional examining boards;

(p) student workers;

(q) one position in the hazardous substance notification and response activity in the department of public safety;

(r) employees unclassified pursuant to other statutory authority; and

(s) intermittent help employed by the commissioner of agriculture to perform duties relating to pesticides, fertilizer, and seed regulation.

Sec. 2. [136C.011] [VOLUNTARY STATE TECHNICAL SYSTEM.]

Subdivision 1. [ESTABLISHMENT.] By July 1, 1991, the state board of vocational technical education shall establish a state system of technical colleges. The colleges transferred to the system shall be under the management, jurisdiction, and control of the state board.

Subd. 2. [RESOLUTION FOR SCHOOL BOARD TRANSFER.] A school board that operates a technical college or that is a member of an intermediate school district or a joint district shall conduct a public hearing on the issue of transferring the technical college to the state system. Any person shall have an opportunity to present testimony at the hearing. At a regular school board meeting after the hearing, each school board shall vote on a resolution to transfer the technical college to the state system. In the case of an intermediate school district or a joint district, resolutions adopted by a majority of the member school districts of the intermediate school district or joint district shall be effective to transfer the technical college. Each school board shall notify the chancellor by December 1, 1990, whether or not it has adopted a resolution to transfer. A school board may reconsider a resolution not to transfer a college at any time. Upon reconsideration by a member of an intermediate school district or joint district, all members shall vote on a resolution.

Subd. 3. [APPLICABLE LAWS.] Sections 1, 9, 12, 15, 17, 18, 19, 20, 21, 22, and 23 apply to a technical college in the state system.

Sec. 3. Minnesota Statutes 1988, section 136C.02, subdivision 5, is amended to read:

Subd. 5. [STATE DIRECTOR CHANCELLOR.] “State director” “Chancellor” means the ~~state director~~ head of vocational technical education.

Sec. 4. Minnesota Statutes 1989 Supplement, section 136C.04, subdivision 2, is amended to read:

Subd. 2. [APPOINTMENT OF STATE DIRECTOR CHANCELLOR.] The state board shall appoint a ~~state director of chancellor~~ for vocational technical education who shall serve in the unclassified service. The ~~state director chancellor~~ shall be qualified by training and experience in the field of education, vocational education, or administration. The ~~state director chancellor~~ shall possess powers and perform duties as delegated by the state board. The state board shall set the salary of the ~~state director chancellor~~.

Sec. 5. Minnesota Statutes 1988, section 136C.04, subdivision 3, is amended to read:

Subd. 3. [STAFF EMPLOYEES.] The state board shall employ all ~~subordinate~~ staff for the board and prescribe their duties consistent with chapter 43A. It shall appoint and establish salaries for state campus presidents and instructional and noninstructional staff employed by the state.

Sec. 6. Minnesota Statutes 1988, section 136C.04, subdivision 13, is amended to read:

Subd. 13. [CLOSING AUTHORITY.] The state board, after consultation with the affected school board, may require that school board to discontinue operation of its technical institute or close technical colleges under its jurisdiction. Before closing a technical college the state board shall ~~first~~ hold a public hearing on the issue in ~~that~~ the geographic area affected by the closing. Affected parties shall have an opportunity to present testimony. ~~At the request of the school board,~~ The hearing shall be conducted by an administrative law judge of the office of administrative hearings. The administrative law judge shall prepare a summary of testimony for the state board. The state board shall publish notice in the State Register and in a newspaper of general circulation in the geographic area at least 30 days before the scheduled hearing. *Closing of a college must be approved by*

specific legislative act.

Sec. 7. Minnesota Statutes 1988, section 136C.04, subdivision 14, is amended to read:

Subd. 14. [REORGANIZATION.] The state board, after consulting with the affected school boards, may merge or reorganize institutes or establish regional service areas for the purpose of increased efficiency, use of personnel, placement of programs, student access, and other needs as determined by the state board. *A merger or reorganization of colleges must be approved by specific legislative act.*

Sec. 8. Minnesota Statutes 1988, section 136C.04, is amended by adding a subdivision to read:

Subd. 20. [ADVISORY COMMITTEES.] *The state board shall appoint an advisory committee for each technical college. Committee members must be residents of the geographic area served by the technical college. The advisory committee shall be composed of qualified people who have knowledge of and interest in technical education in the geographic area served by the technical college.*

Sec. 9. [136C.044] [PURCHASE OF TECHNICAL EQUIPMENT.]

Technical educational equipment may be procured for technical colleges on request of the state board of vocational technical education either by brand designation or in accordance with standards and specifications the board may adopt, notwithstanding chapter 16B to the contrary.

Sec. 10. [136C.046] [APPLICATION OF PELRA.]

Chapter 179A applies to the state board of vocational technical education and the technical college instructional unit.

Sec. 11. Minnesota Statutes 1989 Supplement, section 136C.08, subdivision 1, is amended to read:

Subdivision 1. *A school board operating a technical institute or, for a technical college in the state system, the state board may adopt and enforce rules, regulations, or ordinances for the regulation of traffic and parking in parking facilities and on private roads and roadways situated on property owned, leased, occupied, or operated by the board.*

Sec. 12. [136C.09] [EMPLOYEES TRANSFERRED TO STATE.]

Subdivision 1. [STATE EMPLOYEES.] *All school district employees who are primarily assigned to positions at a technical college or in post-secondary vocational education during the 1990-1991 academic year become state employees on July 1, 1991. Transferred employees have no further rights to employment in the district, except as provided in subdivisions 2 and 3.*

Subd. 2. [LICENSED EMPLOYEES MAY RETURN TO DISTRICT.] *Until June 30, 1993, a school board must offer a vacancy in the school district to a transferred licensed employee who was employed by the board during the 1990-1991 academic year if:*

- (1) the employee was laid off by the state;*
- (2) the employee is licensed for the vacant position; and*
- (3) a transfer or assignment to the vacant position is authorized by the contract or policy in effect in the district on June 30, 1991.*

Subd. 3. [NONLICENSED EMPLOYEES MAY RETURN TO DISTRICT.] Until June 30, 1993, a transferred nonlicensed employee may exercise job seniority, promotion, layoff, and lateral transfer rights to a vacancy in the district if the right to be exercised is authorized by the contract in effect on June 30, 1991.

Subd. 4. [SUBSEQUENT TRANSFER TO STATE.] Until June 30, 1993, a nonlicensed employee who is not transferred may exercise job seniority, promotion, layoff, and lateral transfer rights to a vacancy in the technical institute that was previously operated by the employing district if the right to be exercised is authorized by the contract in effect on June 30, 1991. If an employee exercises a right, the employee becomes a classified employee without competitive examination.

Subd. 5. [LICENSED EMPLOYEES ON UNREQUESTED LEAVE.] Until June 30, 1993, the state must offer a vacancy in post-secondary vocational education to a licensed teacher on unrequested leave of absence if:

(1) the teacher is licensed for the vacant position; and

(2) the transfer or assignment to the vacant position is authorized by the contract or policy in effect in the school district on June 30, 1991.

Subd. 6. [EMPLOYEES ON REQUESTED LEAVE.] An employee on a requested leave of absence from a post-secondary vocational education position on June 30, 1991, shall retain the rights granted according to the terms of the leave.

Subd. 7. [CLASSIFICATION ASSIGNMENT.] The commissioner of employee relations shall assign transferred employees and positions to appropriate positions and classes of positions in the classified and unclassified services. An employee who is assigned to the classified service and who is transferred to a position for which the person is not required to be licensed by the state board shall have permanent status under chapter 43A in the classified service without competitive examination.

Subd. 8. [REASSIGNMENT; UNEMPLOYMENT COMPENSATION; SEVERANCE PAY.] Reassignment or transfer under this section is not a leaving of employment for eligibility for unemployment compensation payments under chapter 268, or severance payments under section 465.72, or under a policy or contract based on section 465.72.

Sec. 13. Minnesota Statutes 1988, section 136C.15, is amended to read:

136C.15 [STUDENT ASSOCIATIONS.]

~~Every school~~ *The state board governing a technical institute shall give recognition as an authorized extracurricular activity to a technical institute student association affiliated with the Minnesota vocational technical student association. The student association is authorized to collect a reasonable fee from students to finance the activities of the association in an amount determined by the governing state board of the technical institute which has recognized it.*

~~Every governing body which recognizes a student association~~ *The technical institute shall deposit the fees in a student association fund. The money in this fund shall be available for expenditure for student recreational, social, welfare, and educational pursuits supplemental to the regular curricular offerings.*

Sec. 14. Minnesota Statutes 1988, section 136C.31, subdivision 1, is

amended to read:

Subdivision 1. [ALLOCATE BY LAW.] All money, whether state, federal, or from other sources, which may be made available to the state board for carrying out the purposes of post-secondary vocational technical education shall be allocated by the state board to ~~districts~~ *technical colleges* in accordance with law.

Sec. 15. Minnesota Statutes 1988, section 136C.41, is amended by adding a subdivision to read:

Subd. 8. [PAYMENT OF DEBT; TRANSFER; DEBT SERVICE AID.] (a) A district that has debt outstanding on real or personal property that is transferred to the state board shall identify the smallest of the following amounts:

(1) the amount required by the bond agreement to pay the outstanding debt;

(2) the minimum amount required by the bond agreement; or

(3) the balance in the technical college debt redemption fund.

(b) The district shall transfer the amount to a separate account in its debt redemption fund for payment of the debt. A balance in the debt redemption fund shall be used according to section 475.61, subdivision 4.

(c) The state board shall pay all of the remaining debt service on the technical college facilities that have been transferred to the state board.

Sec. 16. Minnesota Statutes 1989 Supplement, section 136C.44, is amended to read:

136C.44 [VOCATIONAL TECHNICAL BUILDING APPROPRIATIONS.]

Money appropriated to the state board of vocational technical education for post-secondary vocational technical construction ~~in school districts~~ shall be used for grants to school districts *or for the technical colleges in the state system* for the acquisition and betterment of land, buildings, and capital improvements for technical institutes. These grants shall only be made upon the conditions and in accordance with all standards and criteria established in state board rules and in the legislative act authorizing the specific post-secondary vocational facilities project. A grant *to a school district* shall cover 85 percent of the cost of the post-secondary vocational facilities authorized by the specific legislative act, and 15 percent of the cost of these facilities shall be financed by the school district operating the technical institute, unless otherwise provided by the specific legislative act. A grant to a joint vocational technical district formed under sections 136C.60 to 136C.69 must cover 100 percent of the cost, unless otherwise provided by the specific legislative act. *Money for a technical college in the state system shall cover 100 percent of the cost of the project.* No local bonds shall be authorized, issued, or sold, nor shall any election be held to authorize the issuance of bonds, if the proceeds will be used to finance a project for which specific legislative approval is required, until after that specific legislative approval has been given.

Sec. 17. [136C.441] [LEVY FOR PHASE-OUT OF SERVICE FEE.]

A district that has transferred a technical college to the state board may levy up to the following amounts:

(1) in the first levy certified after the transfer, 100 percent of the most

recent service fee allocation;

(2) in the second levy certified after the transfer, 75 percent of the service fee allocation under clause (1);

(3) in the third levy certified after the transfer, 50 percent of the service fee allocation under clause (1); and

(4) in the fourth levy certified after the transfer, 25 percent of the service fee allocation under clause (1).

The proceeds of the levy may be placed in the general fund of the district.

Sec. 18. [136C.45] [REPAYMENT OF DISTRICT SHARE OF FACILITIES.]

The state shall reimburse a school district for the district's share of real property transferred to the state board. The reimbursements must be completed within 20 years of the date of transfer. The state board and the school board shall negotiate a fair and equitable amount to be reimbursed. The chancellor shall report the amount to be reimbursed and the procedures for repayment to the education and finance or appropriations committees of the legislature. Reimbursement proceeds must be used according to section 123.36, subdivision 13.

Sec. 19. Minnesota Statutes 1988, section 179A.10, subdivision 1, is amended to read:

Subdivision 1. [EXCLUSIONS.] The commissioner of employee relations shall meet and negotiate with the exclusive representative of each of the units specified in this section. The units provided in this section are the only appropriate units for executive branch state employees. The following employees shall be excluded from any appropriate unit:

(1) the positions and classes of positions in the classified and unclassified services defined as managerial by the commissioner of employee relations in accordance with section 43A.18, subdivision 3, and so designated in the official state compensation schedules;

(2) unclassified positions in the state university system ~~and~~, the community college system, ~~and the technical college system that are~~ defined as managerial by their respective boards;

(3) positions of physician employees compensated under section 43A.17, subdivision 4;

(4) positions of all unclassified employees appointed by a constitutional officer;

(5) positions in the bureau of mediation services and the public employment relations board;

(6) positions of employees whose classification is pilot or chief pilot;

(7) administrative law judge and compensation judge positions in the office of administrative hearings; and

(8) positions of all confidential employees.

The governor may upon the unanimous written request of exclusive representatives of units and the commissioner direct that negotiations be conducted for one or more units in a common proceeding or that supplemental negotiations be conducted for portions of a unit or units defined on the

basis of appointing authority or geography.

Sec. 20. Minnesota Statutes 1988, section 179A.10, subdivision 2, is amended to read:

Subd. 2. [STATE EMPLOYEES.] Unclassified employees, unless otherwise excluded, are included within the units which include the classifications to which they are assigned for purposes of compensation. Supervisory employees shall only be assigned to units 12 and 16. The following are the appropriate units of executive branch state employees:

- (1) law enforcement unit;
- (2) craft, maintenance, and labor unit;
- (3) service unit;
- (4) health care nonprofessional unit;
- (5) health care professional unit;
- (6) clerical and office unit;
- (7) technical unit;
- (8) correctional guards unit;
- (9) state university instructional unit;
- (10) community college instructional unit;
- (11) state university administrative unit;
- (12) professional engineering unit;
- (13) health treatment unit;
- (14) general professional unit;
- (15) professional state residential instructional unit; ~~and~~
- (16) supervisory employees unit; *and*
- (17) *technical college instructional unit.*

Each unit consists of the classifications or positions assigned to it in the schedule of state employee job classification and positions maintained by the commissioner. The commissioner may only make changes in the schedule in existence on the day prior to the effective date of this section as required by law or as provided in subdivision 4.

Sec. 21. [TRANSFER PROVISIONS.]

Subdivision 1. [TITLE TO PROPERTY.] A district shall transfer to the state board of vocational technical education title to the real property used for post-secondary vocational education in that district and other post-secondary vocational education equipment, personal property, and related records.

Subd. 2. [DEBT.] If not paid by the state, the bonded debt on all transferred property must be paid according to levies for that debt previously made under Minnesota Statutes, chapter 475. The primary obligation of the district with reference to payment of bonded debt is not affected by the transfer.

Subd. 3. [CONTRACT OBLIGATIONS.] Contractual obligations of the district relating to post-secondary vocational education, including claims

for unemployment compensation, transfer to the state board.

Subd. 4. [LIABILITY.] A district that operated a technical college has no liability for the debts or obligations of the state board.

Subd. 5. [FUNDS.] A district shall transfer the money in all post-secondary vocational funds, except the debt redemption fund, to the state board. The state board shall credit trust and agency funds generated for scholarship and foundation purposes to the technical college where they were generated.

Subd. 6. [LEGAL ACTIONS.] Notwithstanding subdivision 3, administrative, civil, criminal, or other actions or proceedings that have arisen or are pending before July 1, 1991, are not affected by the transfer.

Sec. 22. [TRANSITION EMPLOYMENT PROVISIONS.]

Subdivision 1. [CONTRACT TERMS CONTINUED.] The terms of a contract between an exclusive representative and a school board for transferred employees shall continue and be binding on the state until a new contract is in effect.

Subd. 2. [CHANCELLOR'S PLAN.] Transferred employees who do not have an exclusive representative are governed by a plan approved by the commissioner of employee relations under chapter 43A.

Subd. 3. [SENIORITY; OTHER BENEFITS.] Transferred employees shall retain the seniority date established by contract or school board policy of the district in which they were previously employed, unless otherwise provided in a successor contract. Accumulations of sick leave and accumulated years of service to determine eligibility for severance pay or early retirement benefits and other approved contract rights must be credited to each employee, subject to any limitations negotiated in the successor contract.

Subd. 4. [INSURANCE.] The commissioner of employee relations shall offer to transferred employees the basic employee health, dental, and life insurance plan and optional plans to the extent permitted by the scope of insurance offerings and eligibility requirements, except that:

(1) covered preexisting conditions must remain covered upon transfer; and

(2) evidence of insurability may not be required for in-force coverage amounts up to the limits of the commissioner's plan.

Subd. 5. [RETIREMENT.] Employees at a technical college remain in the retirement fund of which they are a member on June 30, 1991. Licensed employees hired after June 30, 1991, are members of the teachers retirement association under chapter 354. Nonlicensed employees hired after June 30, 1991, are members of the Minnesota state retirement system under chapter 352.

Obligations incurred before July 1, 1989, for retired employees who were primarily employed at a technical college at the time of their retirement transfer to the state board. Obligations incurred from July 1, 1989, until June 30, 1991, for retired employees who were primarily employed at a technical college at the time of their retirement transfer to the state board only if approved by the state board.

Sec. 23. [ACCOUNTING TRANSITION.]

The commissioner of finance and the state director shall develop a time schedule and procedures to convert the accounting and reporting systems for technical institutes and post-secondary vocational technical education to the statewide accounting system. The schedule and procedures shall take into account the data needed by the state board.

Sec. 24. [EFFECTIVE DATE.]

Sections 1 to 23 are effective July 1, 1991, except that section 2, subdivision 2, is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to education; establishing a voluntary state system of technical colleges; allowing school boards to transfer technical colleges to the state board of vocational technical education; amending Minnesota Statutes 1988, sections 136C.02, subdivision 5; 136C.04, subdivisions 3, 13, 14, and by adding a subdivision; 136C.15; 136C.31, subdivision 1; 136C.41, by adding a subdivision; and 179A.10, subdivisions 1 and 2; Minnesota Statutes 1989 Supplement, sections 43A.08, subdivision 1; 136C.04, subdivision 2; 136C.08, subdivision 1; and 136C.44; proposing coding for new law in Minnesota Statutes, chapter 136C."

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 1499: A bill for an act relating to consumer protection; regulating certain rental-purchase agreements; prescribing the rights and duties of all parties; requiring disclosures; regulating advertising; providing remedies; amending Minnesota Statutes 1988, sections 325G.06, subdivision 2; 325G.12, subdivision 2; and 325G.15, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 325F

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

Delete everything after the enacting clause and insert:

"Section 1. [325F82] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] As used in sections 1 to 14, the following terms have the meanings given them.

Subd. 2. [ADVERTISEMENT.] "Advertisement" means a commercial message in any medium, including signs, window displays, and price tags, that promotes, directly or indirectly, a rental-purchase agreement.

Subd. 3. [CASH PRICE.] "Cash price" means the price at which the lessor in the ordinary course of business would offer to sell the personal property to the lessee for cash on the date of the rental-purchase agreement.

Subd. 4. [CONSUMMATION.] "Consummation" means the time at which the lessee enters into a rental-purchase agreement.

Subd. 5. [LESSEE.] "Lessee" means a natural person who rents personal property under a rental-purchase agreement for personal, family, or household use.

Subd. 6. [LESSOR.] "Lessor" means a person who, in the ordinary course of business, regularly leases, offers to lease, or arranges for the

leasing of property under a rental-purchase agreement.

Subd. 7. [PERSONAL PROPERTY.] "Personal property" means property that is not real property under the laws of this state when it is made available for a rental-purchase agreement.

Subd. 8. [RENTAL-PURCHASE AGREEMENT.] "Rental-purchase agreement" means an agreement for the use of personal property in which all of the following apply:

- (1) the lessor is regularly engaged in the rental-purchase business;*
- (2) the agreement is for an initial period of four months or less, whether or not there is any obligation beyond the initial period, that is automatically renewable with each payment and that permits the lessee to become the owner of the property;*
- (3) the lessee is a person other than an organization; and*
- (4) the lessee takes under the rental-purchase agreement primarily for a personal, family, or household purpose.*

Sec. 2. [325F83] [APPLICATION OF OTHER LAW.]

Subdivision 1. [LAWS NOT APPLICABLE.] An agreement that complies with sections 1 to 14 shall not be construed as, nor be governed by, the laws relating to:

- (1) a "consumer credit sale" as defined in section 325G.15, subdivision 2;*
- (2) a "security interest" as defined in section 336.1-201, clause (37);*
- (3) a "sale of goods" as defined in section 325G.15, subdivision 5; or*
- (4) a "finance lease" as defined in the Uniform Commercial Code, section 2A-103, paragraph (1), clause (g).*

Subd. 2. [APPLICABLE LAWS.] The following laws apply to rental-purchase agreements:

- (1) sections 325G.17 to 325G.20, relating to consumer warranties, except that a rental-purchase agreement may not include a disclaimer or waiver of implied warranties of merchantability; and*
- (2) sections 325D.43 to 325D.48, relating to deceptive trade practices.*

Sec. 3. [325F84] [DISCLOSURES.]

In a rental-purchase agreement, the lessor shall disclose the following items, as applicable:

- (a) The total of payments necessary to acquire ownership of the property accompanied by an explanation that this term means the "total dollar amount of payments you will have to make to acquire ownership."*
- (b) The total number, amounts, and timing of all payments and other charges including taxes or official fees paid to or through the lessor that are necessary to acquire ownership of the property.*
- (c) The difference between the amount disclosed under paragraph (a) and the cash price of the leased property, using the term "cost of lease services" to mean the difference between these amounts.*

(d) Any initial or advance payment such as a delivery charge or trade-in allowance.

(e) A statement that the lessee will not own the property until the lessee has made the total of payments necessary to acquire ownership of the property.

(f) A statement that the total of payments does not include additional charges such as late payment charges, and a separate listing and explanation of these charges as applicable.

(g) A statement that the lessee is liable for loss or damage to the property and the maximum amount for which the lessee is liable, which in the case of loss shall in no event be greater than the price the lessee would have paid to exercise an early purchase option. In the case of damage to the property other than normal wear and tear, the lessee shall be liable for the lesser of the price the lessee would have paid to exercise an early purchase option or the cost of repair as reasonably determined by the lessor.

(h) A statement that the lessee is not required to purchase a liability damage waiver from the lessor.

(i) A description of the goods or merchandise including model numbers as applicable and a statement indicating whether the property is new or used. It is not a violation of this subdivision to indicate that the property is used if it is actually new.

(j) A statement that the lessee has the option to purchase the leased property during the terms of the rental-purchase agreement and at what price, formula, or by what method the price is to be determined.

(k) The cash price of the merchandise.

(l) A statement of the following lessee rights: reinstatement rights under section 7, default notice under section 6, and consumer warranties under sections 325G.17 to 325G.20.

The commissioner of commerce may prescribe the disclosure form by rule.

Sec. 4. [325F85] [FORM REQUIREMENTS.]

Subdivision 1. [GENERALLY.] The disclosure information required by section 3 must be disclosed in a rental-purchase agreement, and must:

(1) *be made clearly and conspicuously with items appearing in logical order and segregated as appropriate for readability and clarity;*

(2) *be made in writing;*

(3) *need not be contained in a single writing or made in the order set forth in section 3; and*

(4) *may be supplemented by additional information or explanations supplied by the lessor, but none shall be stated, used, or placed so as to mislead or confuse the lessee, or to contradict, obscure, or detract attention from the information required by section 3, and so long as the additional information or explanations do not have the effect of circumventing, evading, or unduly complicating the information required to be disclosed by section 3.*

Subd. 2. [TIMING.] The lessor shall disclose all information required

by section 3 before the rental-purchase agreement is executed. These disclosures must be made on the face of the writing evidencing the rental-purchase agreement.

Subd. 3. [COPY TO LESSEE.] Before any payment is due, the lessor shall furnish the lessee with an exact copy of each rental-purchase agreement. The agreement shall be signed by the lessee and is evidence of the lessee's agreement. If there is more than one lessee in a rental-purchase agreement, delivery of a copy of the rental-purchase agreement to one of the lessees constitutes compliance with this subdivision; however, a lessee not signing the agreement is not liable under it.

Subd. 4. [TYPE SIZE.] The terms of the rental-purchase agreement, except as otherwise provided in this section, must be set forth in not less than eight-point standard type.

Subd. 5. [BLANK SPACES.] All blank spaces on the rental-purchase agreement form must be filled in before the rental-purchase agreement is executed. Blank spaces that are provided for items or terms not applicable to the agreement must be crossed out.

Sec. 5. [325F86] [ADVERTISING.]

Subdivision 1. [PROHIBITION.] An advertisement for a rental-purchase agreement shall not state or imply that a specific item is available at specific amounts or terms unless the lessor usually and customarily offers or will offer that item at those amounts or terms.

Subd. 2. [DISCLOSURES.] (a) If an advertisement for a rental-purchase agreement refers to or states the amount of any payment, or the right to acquire ownership, for a specific item, the advertisement must also clearly and conspicuously state the following terms as applicable:

- (1) that the transaction advertised is a rental-purchase agreement;*
- (2) the total of payments necessary to acquire ownership; and*
- (3) that the lessee will not own the property until the total amount necessary to acquire ownership is paid in full or by prepayment as provided for by law.*

(b) Every item displayed or offered under a rental-purchase agreement shall have clearly and conspicuously indicated in Arabic numerals, so as to be readable and understandable by visual inspection, each of the following affixed to the item:

- (1) the cash price of the item; and*
- (2) the amount of the lease payment and the total of lease payments required for ownership.*

Subd. 3. [NONAPPLICATION.] This section does not apply to the owner or personnel, as such, of any medium in which an advertisement appears or through which it is disseminated.

Sec. 6. [325F87] [DEFAULT.]

Subdivision 1. [ENFORCEABILITY.] An agreement of the parties to a rental-purchase agreement with respect to default is enforceable only to the extent that one of the following apply:

- (1) the lessee both fails to renew an agreement and also fails to return*

the property or make arrangements for its return as provided in the agreement; or

(2) the prospect of payment, performance, or return of the property is materially impaired due to a breach of the rental-purchase agreement, with the burden of establishing the prospect of material impairment on the lessor.

Subd. 2. [AUTHORIZATION.] If a lessee has been in default for three business days, the lessor may give the lessee a default notice and request surrender of the property as provided under subdivision 3. Mailing written notice to the last known address of the lessee meets the requirement of giving written notice under subdivision 3.

Subd. 3. [DEFAULT NOTICE.] The first default notice and a subsequent default notice that is sent more than 12 months after sending the last written notice must be in writing and conspicuously state the following:

(1) the name, address, and telephone number of the lessor to whom payment is to be made;

(2) a brief identification of the transaction;

(3) the lessee's right to cure the default;

(4) the amount of payment and date by which payment must be made to cure the default;

(5) a statement of the lessee's reinstatement rights as provided under section 7; and

(6) a request to voluntarily surrender the property if the payment is not made.

A subsequent default notice given within the 12 months after a written default notice may be given orally and constitutes proper notice under this section.

Subd. 4. [PROPERTY RECOVERY.] A lessor may not bring a court action to recover the property until seven days after a proper default notice has been given.

Subd. 5. [VOLUNTARY SURRENDER OF PROPERTY.] This section does not prohibit a lessee from voluntarily surrendering possession of the property or the lessor from enforcing a past due obligation which the lessee may have at any time after default.

Subd. 6. [COMPLIANCE.] If the lessee cures the default by taking the action required in the default notice, a breach of the agreement is considered as not having occurred.

Sec. 7. [325F88] [LESSEE'S REINSTATEMENT RIGHTS.]

Subdivision 1. [GENERALLY.] A lessee who fails to make timely lease payments may reinstate the original rental-purchase agreement without losing any rights or options previously acquired under the rental-purchase agreement if both of the following apply:

(1) after having failed to make a timely payment, the lessee has surrendered the property to the lessor within seven days of a request to surrender the property made by the lessor as provided in section 6; and

(2) in the case of a lessee that has paid less than 60 percent of the total of payments necessary to acquire ownership of the property, not more than

60 days have passed since the lessee returned the property. If the lessee has paid more than 60 percent of the total of payments necessary to acquire ownership of the property, the lessee's rights to reinstate shall be extended for a period of not less than 180 days after the lessee has returned the property.

Subd. 2. [CHARGES.] As a condition to reinstating a rental-purchase agreement, a lessor may charge the outstanding balance of any accrued payments; a reinstatement fee not to exceed \$5 for each reinstatement; and a delivery charge not to exceed \$15 for five items or less or \$30 for more than five items, if redelivery of the item is necessary.

Subd. 3. [SUBSTITUTE ITEMS.] If reinstatement occurs as provided in this section, the lessor shall provide the lessee with the same item, if available, leased by the lessee before reinstatement. If the same item is not available, a substitute item of comparable worth, quality, and condition may be used. If a substitute item is provided, the lessor shall provide the lessee with all the information required by section 3.

Sec. 8. [325E89] [PROHIBITED PRACTICES.]

Subdivision 1. [PROHIBITED RENTAL AGREEMENT PROVISIONS.] A rental-purchase agreement may not contain a provision:

- (1) requiring a confession of judgment;*
- (2) authorizing a lessor or an agent of the lessor to commit a breach of the peace in the repossession of property;*
- (3) waiving a defense, counterclaim, or right the lessee may have against the lessor or an agent of the lessor;*
- (4) requiring the payment of a late charge unless a lease payment is delinquent for more than two business days for a weekly lease or three business days for a monthly lease, and the charge or fee shall not be in an amount more than the greater of five percent of the delinquent lease payment or \$3;*
- (5) requiring a separate payment in addition to lease payments in order to acquire ownership of the property, other than by exercising an early purchase option pursuant to section 10; and*
- (6) authorizing a lessor to charge a penalty for early termination of a rental-purchase agreement.*

Subd. 2. [CASH PRICE LIMITS.] No lessor shall offer a rental-purchase agreement in which 50 percent of all lease payments necessary to acquire ownership of the property exceed the cash price of the property. When 50 percent of the total dollar amount of lease payments made by a lessee equals the cash price of the property, the lessee shall acquire ownership of the property and the rental-purchase agreement terminates.

Subd. 3. [DELIVERY CHARGES; SECURITY DEPOSITS; COLLECTION FEES.] A lessor may not charge a delivery charge that is greater than \$15 for five items or less or \$30 for more than five items. A lessor may not charge a security deposit. A lessor may contract for and receive a charge for picking up payments from the lessee if the lessor is required or requested to visit the lessee's dwelling to pick up a payment. In a consumer rental-purchase agreement with payment or renewal dates which are more frequent than monthly, this charge shall not be assessed more than three times in any three-month period. In consumer rental-purchase

agreements with payments or renewal options which are at least monthly, this charge shall not be assessed more than three times in any six-month period. A charge assessed pursuant to this subdivision shall not exceed \$7. This charge is in lieu of a late charge assessed for the applicable payment period.

Sec. 9. [325F90] [LESSOR'S COMMUNICATIONS CONCERNING LESSEE.]

Subdivision 1. [LOCATION INFORMATION.] A lessor in communication with any person other than the lessee for the purpose of acquiring information as to the location of a lessee shall:

(1) identify the lessor and state that the lessor is confirming or correcting location information concerning the lessee;

(2) not communicate with any person more than once unless requested to do so by the person or unless the lessor reasonably believes that the earlier response is erroneous or incomplete and that the person now had correct or complete location information;

(3) not communicate by postcard;

(4) not use any language or symbol on any envelope or in the contents of any communication that indicates that the communication relates to the recovery or repossession of property; and

(5) not communicate with any person other than the lessee's attorney, after the lessor knows the lessee is represented by an attorney with regard to the rental-purchase agreement and has knowledge of, or can readily ascertain, the attorney's name and address, unless the attorney fails to respond within a reasonable period of time to communication from the lessor or unless the attorney consents to direct communication with the lessee.

Subd. 2. [TIME AND PLACE.] Without the prior consent of the lessee given directly to the lessor or the express permission of a court of competent jurisdiction, a lessor may not communicate with a lessee in connection with the recovery or repossession of property:

(1) at the lessee's place of employment; or

(2) at any unusual time or place or a time or place known or which should be known to be inconvenient to the lessee. In the absence of knowledge of circumstances to the contrary, a lessor shall assume that the convenient time for communicating with a lessee is after 8:00 a.m. and before 9:00 p.m., local time at the lessee's location.

Subd. 3. [AUTHORIZED COMMUNICATIONS.] A lessor may not communicate, in connection with the rental-purchase agreement, with any person other than the lessee, the lessee's attorney, or the lessor's attorney, except as reasonably necessary to acquire location information concerning the lessee as provided under subdivision 1, or upon prior consent of the lessee given directly to the lessor, or upon express permission of a court of competent jurisdiction, or as reasonably necessary to effectuate a post-judgment judicial remedy.

Subd. 4. [CEASING COMMUNICATION.] If a lessee notifies the lessor in writing that the lessee wishes the lessor to cease further communication with the lessee, the lessor shall not communicate further with the lessee with respect to the rental-purchase agreement, except:

- (1) to advise the lessee that the lessor's further efforts are being terminated;
- (2) to notify the lessee that the lessor may invoke specified remedies allowable by law which are ordinarily invoked by the lessor; or
- (3) where necessary to effectuate any post-judgment remedy.

Subd. 5. [HARASSMENT OR ABUSE.] A lessor may not harass, oppress, or abuse any person in connection with a rental-purchase agreement. The following conduct is a violation of this subdivision:

- (1) the use or threat of use of violence or the criminal means to harm the physical person, reputation, or property of any person;
- (2) the use of obscene, profane, or abusive language;
- (3) causing a telephone to ring, or engaging any person in telephone conversation repeatedly or continuously with intent to annoy, abuse, or harass any person; and
- (4) the placement of telephone calls without disclosure of the caller's identity.

Sec. 10. [325F91] [EARLY PURCHASE OPTION.]

A rental-purchase agreement must provide that at any time after the initial payment, the lessee may acquire ownership of the property by tendering an amount equal to the amount by which the cash price of the property exceeds 50 percent of all lease payments made by the lessee. This option must be clearly set forth in the rental-purchase agreement, as required by section 3.

Sec. 11. [325F92] [CLAIMS AND DEFENSES.]

An assignee of the contract or obligation relating to the rental-purchase lease transaction is subject to all claims and defenses of the lessee against the lessor arising from the rental-purchase lease transaction, notwithstanding any agreement to the contrary.

Sec. 12. [325F93] [LIABILITY; LIABILITY DAMAGE WAIVER.]

Subdivision 1. [LIABILITY OF LESSEE.] The lessee is liable for loss, destruction, or damage of the rental property during the term of the rental agreement. The amount for which the lessee may be held liable in the case of loss or destruction of the property may not exceed the price that the lessee would have paid to exercise an early purchase option. In the case of damage to the property other than normal wear and tear, the lessee is liable for the price that the lessee would have paid to exercise an early purchase option or the cost of repair as reasonably determined by the lessor, whichever is less.

Subd. 2. [LIABILITY DAMAGE WAIVER.] (a) The lessor must offer a liability damage waiver to the lessee to cover the lessee's liability for any loss, destruction, or damage of the rental property. The cost of the liability damage waiver may not exceed ten percent of the lessee's lease payment.

(b) The lessor must inform the lessee of the following options available to the lessee regarding the property subject to a rental-purchase agreement:

- (1) furnish insurance coverage on the property through an existing insurance policy that is owned by the lessee;

(2) purchase insurance coverage on the property through any insurer authorized to transact business in this state;

(3) purchase liability damage waiver coverage from the lessor; or

(4) decline to furnish or purchase insurance coverage or liability damage waiver coverage.

Sec. 13. [325F94] [EXEMPTED TRANSACTION.]

Sections 1 to 14 do not apply to agreements for the rental of property in which the person who rents the property has no legal right to become the owner of the rented property at the end of the rental period.

Sec. 14. [325F95] [PENALTIES AND REMEDIES.]

Subdivision 1. [DISCLOSURE PENALTIES AND REMEDIES.] A lessor who is found to have violated sections 3 to 5 is subject to the penalties and remedies provided in section 8.31.

Subd. 2. [APPLICATION OF OTHER LAW.] A violation of section 7, 8, or 10 shall be treated as a violation of section 325F.69. The remedies provided by section 7, 8, or 10 are cumulative and shall not be construed as restricting any remedy that is otherwise available.

Subd. 3. [OFFSETS LIMITED.] A lessee may not take any action to offset any amount for which a lessor is potentially liable under this section against any amount owned by the lessee, unless the amount of the liability of the lessor has been determined by a judgment of a court of competent jurisdiction in an action in which the lessor was a party. This section does not bar a lessee in default on an obligation arising from the rental-purchase agreement from asserting a violation of this chapter in an original action, or as defense or counterclaim to an action brought by the lessor to collect amounts owned by the lessee pursuant to the rental-purchase agreement.

Subd. 4. [LESSOR'S RIGHT TO CORRECT ERROR.] A lessor is not liable under this section for a violation of sections 1 to 13 if, within 60 days after discovering an error and before an action for damages is filed against the lessor pursuant to this section or written notice of the error is received from the lessee, the lessor notifies the lessee of the error and makes adjustments to the account of the lessee that are necessary to assure that the lessee is not required to pay an amount in excess of the amounts actually disclosed. This subdivision applies whether the error was discovered through the lessor's own procedures or by any other means.

Subd. 5. [LIMITATION OF LIABILITY.] A lessor is not liable under this section for damages in excess of the actual damage sustained by the lessee if the lessor shows by a preponderance of the evidence that the violation of sections 1 to 13 resulted from a bona fide error notwithstanding the maintenance by the lessor of procedures reasonably adopted to avoid the error. As used in this subdivision, "bona fide error" includes, but is not limited to: clerical, calculation, computer malfunction and programming, and printing errors.

Sec. 15. Minnesota Statutes 1988, section 325G.15, subdivision 5, is amended to read:

Subd. 5. "Sale of goods" includes, without limitation, any agreement in the form of a bailment or lease of goods if the bailee or lessee agrees to pay as compensation for use a sum substantially equivalent to or in excess of the aggregate value of the goods involved and it is agreed that the bailee

or lessee will become, or for no other or a nominal consideration has the option to become, the owner of the goods upon full compliance with the bailee's or lessee's obligations under the agreement. ~~The term also includes a contract in the form of a terminable bailment or lease of goods if: (a) the bailee or lessee has the option to renew the contract by making the payments specified in the contract; (b) the contract obligates the bailor or lessor to transfer ownership of the property to the bailee or lessee for no other or a nominal consideration upon full compliance by the bailee or lessee with the bailee's or lessee's obligations under the contract including any obligation incurred by reason of the exercise of an option by the bailee or lessee to renew the contract; and (c) the payments contracted for by the bailee or lessee, including those payments pursuant to the exercise of an option by the bailee or lessee to renew the contract, are substantially equivalent to or in excess of the aggregate value of the property and services involved.~~

Sec. 16. [LEGISLATIVE RECOMMENDATIONS.]

The commissioner of commerce shall review and may make recommendations concerning the cash price limits established under section 8, subdivision 2, and the cost of liability damage waivers required under section 12, subdivision 2, to the legislature."

Delete the title and insert:

"A bill for an act relating to consumer protection; regulating certain rental-purchase agreements; prescribing the rights and duties of all parties; requiring disclosures; regulating advertising; providing remedies; amending Minnesota Statutes 1988, section 325G.15, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 325F"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2188: A bill for an act relating to children; providing improved procedures to protect the safety and welfare of abused and neglected children; providing for more permanent placements of children in need of protection or services; improving data practices; appropriating money for early intervention and targeted family services, and for family planning grants; amending Minnesota Statutes 1988, sections 147.09; 260.011, subdivision 2; 260.155, subdivision 1; 626.556, subdivision 1, and by adding a subdivision; 626.559, subdivision 2; Minnesota Statutes 1989 Supplement, sections 245A.04, subdivision 3; 260.015, subdivision 2a; 260.161, subdivision 2; 260.171, subdivision 4; 260.191, subdivision 1; 260.221, subdivision 1; 626.556, subdivisions 2, 10e, and 11; and 626.558, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 245 and 260.

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

Delete everything after the enacting clause and insert:

"Section 1. [3.9227] [LEGISLATIVE COMMISSION ON CHILDREN.]
Subdivision 1. [CREATION.] A legislative commission on children is

created. The commission consists of five members of the house of representatives appointed by the speaker and five members of the senate appointed by the subcommittee on committees. Members serve until expiration of their legislative terms and vacancies must be filled in the same manner as the original positions.

Subd. 2. [POWERS AND DUTIES.] The commission shall study matters relating to children in Minnesota and coordinate and oversee activities of the standing committees dealing with children's issues. The commission shall:

(1) analyze and make recommendations regarding federal, state, and county funding and responsibility for the child protection system;

(2) develop ways to maximize the use of federal funding sources to enhance state child protection efforts;

(3) encourage and facilitate the funding of child protection services with an emphasis on prevention and treatment;

(4) review and make recommendations regarding other needs within the child protection system; and

(5) encourage and facilitate the funding and coordination of programs and services relating to children under the age of six.

Subd. 3. [REPORT.] The commission shall report its findings and recommendations to the governor and the legislature by December 15 of each even-numbered year, beginning in 1992.

Subd. 4. [ADMINISTRATION.] The legislative coordinating commission shall provide the commission with necessary staff, office space, and administrative services.

Sec. 2. [144.3871] [POSTERS ON THE DANGERS OF ALCOHOL USE.]

The commissioner of health shall encourage all establishments required to obtain on-sale or off-sale intoxicating liquor licenses under chapter 340A, to display, in a prominent location, posters informing pregnant women of the dangers of alcohol use. The commissioner shall make posters available, at no charge, to establishments with on-sale or off-sale licenses for intoxicating liquors. Posters must provide, in large print, the following message: "Warning: drinking alcoholic beverages during pregnancy can cause birth defects and prematurity," or a similar message approved by the commissioner of health.

Sec. 3. [147.032] [CONTINUING EDUCATION ON THE RECOGNITION OF CHILD MALTREATMENT.]

The board shall adopt rules to incorporate training in the recognition of child maltreatment, including recognition of emotional disturbances that result from child maltreatment, as a continuing medical education requirement for physicians who provide medical care to children.

Sec. 4. Minnesota Statutes 1988, section 147.09, is amended to read:

147.09 [EXEMPTIONS.]

Section 147.081 does not apply to, control, prevent or restrict the practice, service, or activities of:

(1) A person who is a commissioned medical officer of, a member of,

or employed by, the armed forces of the United States, the United States Public Health Service, the Veterans Administration, any federal institution or any federal agency while engaged in the performance of official duties within this state, if the person is licensed elsewhere.

(2) A licensed physician from a state or country who is in actual consultation here.

(3) A licensed or registered physician who treats the physician's home state patients or other participating patients while the physicians and those patients are participating together in outdoor recreation in this state as defined by section 86A.03, subdivision 3. A physician shall first register with the board on a form developed by the board for that purpose. The board shall not be required to promulgate the contents of that form by rule. No fee shall be charged for this registration.

(4) A student practicing under the direct supervision of a preceptor while the student is enrolled in and regularly attending a recognized medical school.

(5) A student who is in continuing training and performing the duties of an intern or resident or engaged in postgraduate work considered by the board to be the equivalent of an internship or residency in any hospital or institution approved for training by the board.

(6) A person employed in a scientific, sanitary or teaching capacity by the state university, the state department of education, or by any public or private school, college, or other bona fide educational institution, or the state department of health, whose duties are entirely of a public health or educational character, while engaged in such duties.

(7) Physician's assistants registered in this state.

(8) A doctor of osteopathy duly licensed by the state board of osteopathy under Minnesota Statutes 1961, sections 148.11 to 148.16, prior to May 1, 1963, who has not been granted a license to practice medicine in accordance with this chapter provided that the doctor confines activities within the scope of the license.

(9) Any person licensed by a health related licensing board, as defined in section 214.01, subdivision 2, or registered by the commissioner of health pursuant to section 214.13, including licensed psychologists with respect to the use of hypnosis; provided that the person confines activities within the scope of the license.

(10) ~~A Christian Scientist or other person who endeavors to prevent or cure disease or suffering exclusively by mental or spiritual means or by prayer, or who practices ritual circumcision pursuant to the requirements or tenets of any established religion.~~

(11) A Christian Scientist or other person who endeavors to prevent or cure disease or suffering exclusively by mental or spiritual means or by prayer.

Sec. 5. [148.213] [CONTINUING EDUCATION ON THE RECOGNITION OF CHILD MALTREATMENT.]

The board shall adopt rules to incorporate training in the recognition of child maltreatment, including recognition of emotional disturbances that result from child maltreatment, as a continuing education requirement for registered nurses who provide professional nursing care to children.

Sec. 6. [245.826] [USE OF RESTRICTIVE TECHNIQUES AND PROCEDURES IN FACILITIES SERVING EMOTIONALLY DISTURBED CHILDREN.]

The commissioner of human services shall promulgate rules to govern the use of restrictive techniques and procedures in facilities serving emotionally disturbed children that are licensed under section 245A.09 and Minnesota Rules, parts 9545.0900 to 9545.1090, and 9545.1400 to 9545.1500. No provision of these rules may encourage or require the use of restrictive techniques and procedures. The rules must prohibit: (1) the application of certain restrictive techniques or procedures in facilities, except as authorized in the child's case plan and monitored by the county caseworker responsible for the child; (2) the use of restrictive techniques or procedures that restrict the clients' normal access to nutritious diet, drinking water, adequate ventilation, necessary medical care, ordinary hygiene facilities, normal sleeping conditions, and necessary clothing; and (3) the use of corporal punishment. The rule may specify other restrictive techniques and procedures and the specific conditions under which permitted techniques and procedures are to be carried out.

Sec. 7. Minnesota Statutes 1989 Supplement, section 245A.04, subdivision 3, is amended to read:

Subd. 3. [STUDY OF THE APPLICANT.] (a) Before the commissioner issues a license, the commissioner shall conduct a study of the individuals specified in clauses (1) to (4) according to rules of the commissioner. The applicant, license holder, the bureau of criminal apprehension, and county agencies, after written notice to the individual who is the subject of the study, shall help with the study by giving the commissioner criminal conviction data and reports about abuse or neglect of adults substantiated under section 626.557 and the maltreatment of minors substantiated under section 626.556. The individuals to be studied shall include:

- (1) the applicant;
- (2) persons over the age of 13 living in the household where the licensed program will be provided;
- (3) current employees or contractors of the applicant who will have direct contact with persons served by the program; and
- (4) volunteers who have direct contact with persons served by the program to provide program services, if the contact is not directly supervised by the individuals listed in clause (1) or (3).

The juvenile courts shall also help with the study by giving the commissioner existing juvenile court records on individuals described in clause (2) relating to delinquency proceedings held within either the five years immediately preceding the application or the five years immediately preceding the individual's 18th birthday, whichever time period is longer. The commissioner shall destroy juvenile records obtained pursuant to this subdivision when the subject of the records reaches age 23.

For purposes of this subdivision, "direct contact" means providing face-to-face care, training, supervision, counseling, consultation, or medication assistance to persons served by a program. For purposes of this subdivision, "directly supervised" means an individual listed in clause (1) or (3) is within sight or hearing of a volunteer to the extent that the individual listed in clause (1) or (3) is capable at all times of intervening to protect the

health and safety of the persons served by the program who have direct contact with the volunteer.

A study of an individual in clauses (1) to (4) shall be conducted on at least an annual basis. No applicant, license holder, or individual who is the subject of the study shall pay any fees required to conduct the study.

(b) The individual who is the subject of the study must provide the applicant or license holder with sufficient information to ensure an accurate study including the individual's first, middle, and last name; home address, city, county, and state of residence; zip code; sex; date of birth; and driver's license number. The applicant or license holder shall provide this information about an individual in paragraph (a), clauses (1) to (4), on forms prescribed by the commissioner. The commissioner may request additional information of the individual, which shall be optional for the individual to provide, such as the individual's social security number or race.

(c) A study must include information from the county agency's record of substantiated abuse of adults, neglect of adults, and the maltreatment of minors, and information from the bureau of criminal apprehension.

The commissioner may also review arrest and investigative information from the bureau of criminal apprehension, a county attorney, county sheriff, county agency, local chief of police, other states, the courts, or a national criminal record repository if the commissioner has reasonable cause to believe the information is pertinent to the disqualification of an individual listed in paragraph (a), clauses (1) to (4).

(d) An applicant's or license holder's failure or refusal to cooperate with the commissioner is reasonable cause to deny an application or immediately suspend, suspend, or revoke a license. Failure or refusal of an individual to cooperate with the study is just cause for denying or terminating employment of the individual if the individual's failure or refusal to cooperate could cause the applicant's application to be denied or the license holder's license to be immediately suspended, suspended, or revoked.

(e) The commissioner shall not consider an application to be complete until all of the information required to be provided under this subdivision has been received.

(f) No person in paragraph (a), clause (1), (2), (3), or (4) who is disqualified as a result of this act may be retained by the agency in a position involving direct contact with persons served by the program.

(g) The commissioner shall not implement the procedures contained in this subdivision until appropriate rules have been adopted, except for the applicants and license holders for child foster care, adult foster care, and family day care homes.

(h) Termination of persons in paragraph (a), clause (1), (2), (3), or (4) made in good faith reliance on a notice of disqualification provided by the commissioner shall not subject the applicant or license holder to civil liability.

(i) The commissioner may establish records to fulfill the requirements of this section. The information contained in the records is only available to the commissioner for the purpose authorized in this section.

Sec. 8. Minnesota Statutes 1988, section 260.011, subdivision 2, is amended to read:

Subd. 2. (a) *The paramount consideration in all proceedings concerning a child alleged or found to be in need of protection or services is the best interests of the child.* The purpose of the laws relating to juvenile courts is to secure for each child alleged or adjudicated in need of protection or services and under the jurisdiction of the court, the care and guidance, preferably in the child's own home, as will *best* serve the spiritual, emotional, mental, and physical welfare of the child ~~and the best interests of the state~~; to provide judicial procedures which protect the welfare of the child; to preserve and strengthen the child's family ties whenever possible *and in the child's best interests*, removing the child from the custody of parents only when the child's welfare or safety cannot be adequately safeguarded without removal; and, when removal from the child's own family is necessary *and in the child's best interests*, to secure for the child custody, care and discipline as nearly as possible equivalent to that which should have been given by the parents.

(b) The purpose of the laws relating to termination of parental rights is to ensure that:

(1) reasonable efforts have been made by the social service agency to reunite the child with the child's parents in a placement that is safe and permanent; and

(2) if placement with the parents is not reasonably foreseeable, to secure for the child a safe and permanent placement, preferably with adoptive parents.

The paramount consideration in all proceedings for the termination of parental rights is the best interests of the child. In proceedings involving an American Indian child, as defined in section 257.351, subdivision 6, the best interests of the child must be determined consistent with the Indian Child Welfare Act of 1978, United States Code, title 25, section 1901, et seq.

(c) The purpose of the laws relating to children alleged or adjudicated to be delinquent is to promote the public safety and reduce juvenile delinquency by maintaining the integrity of the substantive law prohibiting certain behavior and by developing individual responsibility for lawful behavior. This purpose should be pursued through means that are fair and just, that recognize the unique characteristics and needs of children, and that give children access to opportunities for personal and social growth.

(d) The laws relating to juvenile courts shall be liberally construed to carry out these purposes.

Sec. 9. Minnesota Statutes 1989 Supplement, section 260.015, subdivision 2a, is amended to read:

Subd. 2a. [CHILD IN NEED OF PROTECTION OR SERVICES.] "Child in need of protection or services" means a child who is in need of protection or services because the child:

(1) is abandoned or without parent, guardian, or custodian;

(2)(i) has been a victim of physical or sexual abuse, or (ii) resides with or has resided with a victim of domestic child abuse as defined in subdivision 24, (iii) resides with or would reside with a perpetrator of domestic child abuse, or (iv) is a victim of emotional maltreatment as defined in subdivision 5a;

(3) is without necessary food, clothing, shelter, education, or other required care for the child's physical or mental health or morals because the child's parent, guardian, or custodian is unable or unwilling to provide that care;

(4) is without the special care made necessary by a physical, mental, or emotional condition because the child's parent, guardian, or custodian is unable or unwilling to provide that care;

(5) is medically neglected, which includes, but is not limited to, the withholding of medically indicated treatment from a disabled infant with a life-threatening condition. The term "withholding of medically indicated treatment" means the failure to respond to the infant's life-threatening conditions by providing treatment, including appropriate nutrition, hydration, and medication which, in the treating physician's or physicians' reasonable medical judgment, will be most likely to be effective in ameliorating or correcting all conditions, except that the term does not include the failure to provide treatment other than appropriate nutrition, hydration, or medication to an infant when, in the treating physician's or physicians' reasonable medical judgment:

(i) the infant is chronically and irreversibly comatose;

(ii) the provision of the treatment would merely prolong dying, not be effective in ameliorating or correcting all of the infant's life-threatening conditions, or otherwise be futile in terms of the survival of the infant; or

(iii) the provision of the treatment would be virtually futile in terms of the survival of the infant and the treatment itself under the circumstances would be inhumane;

(6) is one whose parent, guardian, or other custodian for good cause desires to be relieved of the child's care and custody;

(7) has been placed for adoption or care in violation of law;

(8) is without proper parental care because of the emotional, mental, or physical disability, or state of immaturity of the child's parent, guardian, or other custodian;

(9) is one whose behavior, condition, or environment is such as to be injurious or dangerous to the child or others;

(10) has committed a delinquent act before becoming ten years old;

(11) is a runaway; or

(12) is an habitual truant; or

(13) is one whose custodial parent's parental rights to another child have been involuntarily terminated.

Sec. 10. Minnesota Statutes 1988, section 260.155, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] Except for hearings arising under section 260.261, hearings on any matter shall be without a jury and may be conducted in an informal manner. The rules of evidence promulgated pursuant to section 480.0591 and the law of evidence shall apply in adjudicatory proceedings involving a child alleged to be delinquent, in need of protection or services under section 260.015, subdivision 2a, clause (11) or (12), or a juvenile petty offender, and hearings conducted pursuant to section 260.125 except to the extent that the rules themselves provide that they do not apply.

Except for proceedings involving a child alleged to be in need of protection or services, hearings may be continued or adjourned from time to time and, in the interim. In proceedings involving a child alleged to be in need of protection or services, hearings may only be continued or adjourned if the court makes specific findings that the continuance or adjournment is in the best interests of the child. When a continuance or adjournment is ordered in any proceeding, the court may make any interim orders as it deems in the best interests of the minor in accordance with the provisions of sections 260.011 to 260.301. The court shall exclude the general public from these hearings and shall admit only those persons who, in the discretion of the court, have a direct interest in the case or in the work of the court; except that, the court shall open the hearings to the public in delinquency proceedings where the child is alleged to have committed an offense or has been proven to have committed an offense that would be a felony if committed by an adult and the child was at least 16 years of age at the time of the offense. In all delinquency cases a person named in the charging clause of the petition as a person directly damaged in person or property shall be entitled, upon request, to be notified by the court administrator in writing, at the named person's last known address, of (1) the date of the reference or adjudicatory hearings, and (2) the disposition of the case. Adoption hearings shall be conducted in accordance with the provisions of laws relating to adoptions.

Sec. 11. Minnesota Statutes 1989 Supplement, section 260.161, subdivision 2, is amended to read:

Subd. 2. Except as provided in this subdivision and in subdivision 1, and except for legal records arising from proceedings that are public under section 260.155, subdivision 1, none of the records of the juvenile court and none of the records relating to an appeal from a nonpublic juvenile court proceeding, except the written appellate opinion, shall be open to public inspection or their contents disclosed except (a) by order of a court or (b) as required by sections 245A.04, 611A.03, 611A.04, and 611A.06. The records of juvenile probation officers and county home schools are records of the court for the purposes of this subdivision. Court services data relating to delinquent acts that are contained in records of the juvenile court may be released as allowed under section 13.84, subdivision 5a. This subdivision applies to all proceedings under this chapter, including appeals from orders of the juvenile court, except that this subdivision does not apply to proceedings under section 260.255, 260.261, or 260.315 when the proceeding involves an adult defendant. The court shall maintain the confidentiality of adoption files and records in accordance with the provisions of laws relating to adoptions. In juvenile court proceedings any report or social history furnished to the court shall be open to inspection by the attorneys of record and the guardian ad litem a reasonable time before it is used in connection with any proceeding before the court.

When a judge of a juvenile court, or duly authorized agent of the court, determines under a proceeding under this chapter that a child has violated a state or local law, ordinance, or regulation pertaining to the operation of a motor vehicle on streets and highways, except parking violations, the judge or agent shall immediately report the violation to the commissioner of public safety. The report must be made on a form provided by the department of public safety and must contain the information required under section 169.95.

Sec. 12. Minnesota Statutes 1989 Supplement, section 260.171, subdivision 4, is amended to read:

Subd. 4. If the person who has taken the child into custody determines that the child should be placed in a secure detention facility or a shelter care facility, that person shall advise the child and as soon as is possible, the child's parent, guardian, or custodian:

(a) of the reasons why the child has been taken into custody and why the child is being placed in a juvenile secure detention facility or a shelter care facility; and

(b) of the location of the juvenile secure detention facility or shelter care facility. If there is reason to believe that disclosure of the location of the shelter care facility would place the child's health and welfare in immediate endangerment, disclosure of the location of the shelter care facility shall not be made; and

(c) that the child's parent, guardian, or custodian and attorney or guardian ad litem may make an initial visit to the juvenile secure detention facility or shelter care facility at any time. Subsequent visits by a parent, guardian, or custodian may be made on a reasonable basis during visiting hours and by the child's attorney or guardian ad litem at reasonable hours; and

(d) that the child may telephone parents and an attorney or guardian ad litem from the juvenile secure detention facility or shelter care facility immediately after being admitted to the facility and thereafter on a reasonable basis to be determined by the director of the facility; and

(e) that the child may not be detained for acts as defined in section 260.015, subdivision 5, at a juvenile secure detention facility or shelter care facility longer than 36 hours, excluding Saturdays, Sundays, and holidays, unless a petition has been filed within that time and the court orders the child's continued detention, pursuant to section 260.172; and

(f) that the child may not be detained for acts defined in section 260.015, subdivision 5, at an adult jail or municipal lockup longer than 24 hours, excluding Saturdays, Sundays, and holidays, or longer than six hours if the adult jail or municipal lockup is in a standard metropolitan statistical area, unless a petition has been filed and the court orders the child's continued detention under section 260.172; and

(g) that the child may not be detained pursuant to section 260.165, subdivision 1, clause (a) or (c)(2), at a shelter care facility longer than 72 hours, excluding Saturdays, Sundays, and holidays, unless a petition has been filed within that time and the court orders the child's continued detention, pursuant to section 260.172; and

(h) of the date, time, and place of the detention hearing, *if this information is available to the person who has taken the child into custody*; and

(i) that the child and the child's parent, guardian, or custodian have the right to be present and to be represented by counsel at the detention hearing, and that if they cannot afford counsel, counsel will be appointed at public expense for the child, if it is a delinquency matter, or for any party, if it is a child in need of protection or services, neglected and in foster care, or termination of parental rights matter.

After August 1, 1991, the child's parent, guardian, or custodian shall

also be informed under clause (f) that the child may not be detained in an adult jail or municipal lockup longer than 24 hours, excluding Saturdays, Sundays, and holidays, or longer than six hours if the adult jail or municipal lockup is in a standard metropolitan statistical area, unless a motion to refer the child for adult prosecution has been made within that time period.

Sec. 13. Minnesota Statutes 1989 Supplement, section 260.191, subdivision 1, is amended to read:

Subdivision 1. [DISPOSITIONS.] (a) If the court finds that the child is in need of protection or services or neglected and in foster care, it shall enter an order making any of the following dispositions of the case:

(1) place the child under the protective supervision of the county welfare board or child placing agency in the child's own home under conditions prescribed by the court directed to the correction of the child's need for protection or services;

(2) transfer legal custody to one of the following:

(i) a child placing agency; or

(ii) the county welfare board.

~~In placing a child whose custody has been transferred under this paragraph, the agency and board shall follow the order of preference stated in section 260.181, subdivision 3 under section 14;~~

(3) if the child is in need of special treatment and care for reasons of physical or mental health, the court may order the child's parent, guardian, or custodian to provide it. If the parent, guardian, or custodian fails or is unable to provide this treatment or care, the court may order it provided. The court shall not transfer legal custody of the child for the purpose of obtaining special treatment or care solely because the parent is unable to provide the treatment or care. If the court's order for mental health treatment is based on a diagnosis made by a treatment professional, the court may order that the diagnosing professional not provide the treatment to the child if it finds that such an order is in the child's best interests; or

(4) if the court believes that the child has sufficient maturity and judgment and that it is in the best interests of the child, the court may order a child 16 years old or older to be allowed to live independently, either alone or with others as approved by the court under supervision the court considers appropriate, if the county board, after consultation with the court, has specifically authorized this dispositional alternative for a child.

(b) If the child was adjudicated in need of protection or services because the child is a runaway or habitual truant, the court may order any of the following dispositions in addition to or as alternatives to the dispositions authorized under paragraph (a):

(1) counsel the child or the child's parents, guardian, or custodian;

(2) place the child under the supervision of a probation officer or other suitable person in the child's own home under conditions prescribed by the court, including reasonable rules for the child's conduct and the conduct of the parents, guardian, or custodian, designed for the physical, mental, and moral well-being and behavior of the child; or with the consent of the commissioner of corrections, place the child in a group foster care facility which is under the commissioner's management and supervision;

(3) subject to the court's supervision, transfer legal custody of the child to one of the following:

(i) a reputable person of good moral character. No person may receive custody of two or more unrelated children unless licensed to operate a residential program under sections 245A.01 to 245A.16; or

(ii) a county probation officer for placement in a group foster home established under the direction of the juvenile court and licensed pursuant to section 241.021;

(4) require the child to pay a fine of up to \$100. The court shall order payment of the fine in a manner that will not impose undue financial hardship upon the child;

(5) require the child to participate in a community service project;

(6) order the child to undergo a chemical dependency evaluation and, if warranted by the evaluation, order participation by the child in a drug awareness program or an inpatient or outpatient chemical dependency treatment program;

(7) if the court believes that it is in the best interests of the child and of public safety that the child's driver's license be canceled, the court may recommend to the commissioner of public safety that the child's license be canceled for any period up to the child's 18th birthday. The commissioner is authorized to cancel the license without a hearing. At any time before the expiration of the period of cancellation, the court may, for good cause, recommend to the commissioner of public safety that the child be authorized to apply for a new license, and the commissioner may so authorize; or

(8) require the child to perform any other activities or participate in any other treatment programs deemed appropriate by the court.

Sec. 14. [260.1911] [TRANSFER OF LEGAL CUSTODY.]

Subdivision 1. [GENERAL.] The court may transfer legal custody under section 260.191, subdivision 1, paragraph (a), to:

(1) a child placing agency;

(2) the county welfare board; or

(3) a suitable and fit parent who does not have legal custody of the child.

In placing a child whose custody has been transferred under clause (1) or (2), the agency or board shall follow the order of preference stated in section 260.181, subdivision 3.

Subd. 2. [TRANSFER TO PARENT.] (a) An order transferring legal custody to a parent under this section must be made under the standards and findings required under section 518.17, subdivision 1. The court shall determine visitation rights and child support under sections 518.175 and 518.57.

(b) If legal custody is transferred to a parent under this subdivision, a certified copy of the order must be filed with the family court of the judicial district where the juvenile court order is entered. Issuance of an order under this subdivision divests the juvenile court of further jurisdiction over the matter. Sections 518.175, 518.18, and 518.64 apply to the review and modification of orders under this subdivision.

(c) A custody order under this subdivision is the same as an order under

section 518.17, and all civil or criminal rights, duties, or penalties that apply to orders under section 518.17 apply to orders under this subdivision.

Sec. 15. [260.1912] [DISPOSITION; PERMANENT CUSTODY OR FOSTER CARE.]

Subdivision 1. [WHEN PERMISSIBLE.] When a child has been in placement under a court order for more than one year and at least nine months have elapsed since a case plan was ordered under section 260.191, subdivision 1e, a party may move the court for an order under subdivision 2. The motion must give specific notice of the relief requested and the basis for the relief under this subdivision. The court shall hold an evidentiary hearing unless it is waived by the parties. The court may issue an order under subdivision 2 only if the court finds that all the following factors have been established by clear and convincing evidence:

(1) reasonable efforts, or in the case of an Indian child, active efforts have been made by the social service agency under section 260.012, and those efforts have not corrected the conditions necessitating the continued placement of the child;

(2) if reasonable efforts continue, conditions necessitating the continued placement of the child will not be corrected within the reasonably foreseeable future;

(3) there has been compliance with section 260.181, subdivision 3; and

(4) the relief sought is in the best interests of the child.

In order to find that the relief sought is in the best interests of the child, the court must determine that the requested relief better serves the child's interests than an order for termination of parental rights and that the child's needs for permanency will be served by the order.

Subd. 2. [PERMANENT CUSTODY OR FOSTER CARE.] (a) After a hearing and findings under subdivision 1, in addition to the dispositions available under section 260.191, the court may enter a dispositional order under paragraph (b) or (c).

(b) The court may grant legal custody of the child to a reputable individual of good moral character. The order must be made under the standards and findings required under section 257.025. The court shall determine visitation rights and child support under sections 518.175 and 518.57. Legal custody under this paragraph means the right to determine the child's upbringing, including education, health care, and religious training. A legal custodian under this paragraph is not a foster parent, and the child is not in foster care under section 260.015, subdivision 7.

(c) The court may order that the child remain in permanent foster care until the child is no longer a minor. The court may only issue this order if the child has been in continuous placement with the same foster parent for at least one year and the court finds that the foster parent intends to continue foster parenting the child until the child is no longer a minor. The name of the foster parent must appear in the court order. If the court enters an order under this paragraph, the court shall enter findings consistent with the federal Child Welfare Act of 1980, Public Law Number 96-272.

(d) An order under this subdivision must comply with section 260.181, subdivision 3.

(e) Jurisdiction to review an order under this subdivision remains in juvenile court. Notwithstanding section 260.191, subdivision 2, further hearings are not required and the order remains in effect until the child is no longer a minor unless it is modified under section 16.

(f) After entry of an order under this subdivision, further reasonable efforts under section 260.012 are not required.

Sec. 16. [260.1913] [MODIFICATION OF ORDER FOR PERMANENT CUSTODY OR FOSTER CARE.]

An order issued under section 15 may be modified only under the following circumstances:

(1) modification is agreed to by all parties in writing;

(2) there is a willful and persistent denial of or interference with court-ordered parental visitation;

(3) there is reason to believe that the child's present environment may endanger the child's physical or emotional health; or

(4) a substantial change in circumstances has occurred based on facts that have arisen since the prior order or based on facts that were not known to the court at the time it issued the prior order.

The court may modify an order under section 15 only if it finds that modification is in the best interests of the child and after an appropriate motion and notice to all parties. The court shall hold an evidentiary hearing unless it is waived by the parties.

Sec. 17. Minnesota Statutes 1989 Supplement, section 260.221, subdivision 1, is amended to read:

Subdivision 1. [VOLUNTARY AND INVOLUNTARY.] The juvenile court may upon petition, terminate all rights of a parent to a child in the following cases:

(a) With the written consent of a parent who for good cause desires to terminate parental rights; or

(b) If it finds that one or more of the following conditions exist:

(1) That the parent has abandoned the child. Abandonment is presumed when:

(i) the parent has had no contact or merely incidental contact with the child for six months in the case of a child under six years of age, or for 12 months in the case of a child ages six to 11; and

(ii) the social service agency has made reasonable efforts to facilitate contact, unless the parent establishes that an extreme financial or physical hardship or treatment for mental disability or chemical dependency or other good cause prevented the parent from making contact with the child. This presumption does not apply to children whose custody has been determined under chapter 257 or 518. The court is not prohibited from finding abandonment in the absence of this presumption; or

(2) That the parent has substantially, continuously, or repeatedly refused or neglected to comply with the duties imposed upon that parent by the parent and child relationship, including but not limited to providing the child with necessary food, clothing, shelter, education, and other care and control necessary for the child's physical, mental, or emotional health and

development, if the parent is physically and financially able, and reasonable efforts by the social service agency have failed to correct the conditions that formed the basis of the petition; or

(3) That a parent has been ordered to contribute to the support of the child or financially aid in the child's birth and has continuously failed to do so without good cause. This clause shall not be construed to state a grounds for termination of parental rights of a noncustodial parent if that parent has not been ordered to or cannot financially contribute to the support of the child or aid in the child's birth; or

(4) That a parent is palpably unfit to be a party to the parent and child relationship because of a consistent pattern of specific conduct before the child or of specific conditions directly relating to the parent and child relationship either of which are determined by the court to be of a duration or nature that renders the parent unable, for the reasonably foreseeable future, to care appropriately for the ongoing physical, mental, or emotional needs of the child. *It is presumed that a parent is palpably unfit to be a party to the parent and child relationship upon a showing that the child has been adjudicated in need of protection or services and that the parent's parental rights to one or more other children have been involuntarily terminated in the past; or*

(5) That following upon a determination of neglect or dependency, or of a child's need for protection or services, reasonable efforts, under the direction of the court, have failed to correct the conditions leading to the determination. It is presumed that reasonable efforts under this clause have failed upon a showing that:

(i) a child under the age of 12 has resided out of the parental home under court order for more than one year following an adjudication of dependency, neglect, need for protection or services under section 260.015, subdivision 2a, clause (1), (2), (6), (8), or (9), or neglected and in foster care, and an order for disposition under section 260.191, including adoption of the case plan required by section 257.071;

(ii) conditions leading to the determination will not be corrected within the reasonably foreseeable future; and

(iii) reasonable efforts have been made by the social service agency to rehabilitate the parent and reunite the family.

This clause does not prohibit the termination of parental rights prior to one year after a child has been placed out of the home.

It is also presumed that reasonable efforts have failed under this clause upon a showing that:

(i) *the parent has been required by a case plan to participate in a chemical dependency treatment program;*

(ii) *the parent has either failed to successfully complete the program two or more times or has refused to participate in the treatment program; and*

(iii) *the parent continues to abuse chemicals; or*

(6) *That the parent has been convicted of causing the death of another of the parent's children; or*

(7) *That in the case of a child born to a mother who was not married to*

the child's father when the child was conceived nor when the child was born the person is not entitled to notice of an adoption hearing under section 259.26 and either the person has not filed a notice of intent to retain parental rights under section 259.261 or that the notice has been successfully challenged; or

(7) (8) That the child is neglected and in foster care.

Sec. 18. Minnesota Statutes 1989 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, ~~or~~ to eligibility for school bus driver 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 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. 19. Minnesota Statutes 1989 Supplement, section 609.223, is amended to read:

609.223 [ASSAULT IN THE THIRD DEGREE.]

Subdivision 1. [SUBSTANTIAL BODILY HARM.] Whoever assaults another and inflicts substantial bodily harm 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.

Subd. 2. [PAST PATTERN OF CHILD ABUSE.] Whoever assaults a minor 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 the perpetrator has engaged in a past pattern of child abuse against the minor. As used in this subdivision, "child abuse" has the meaning given it in section 609.185, clause (5).

Sec. 20. Minnesota Statutes 1988, section 609.2231, is amended by adding a subdivision to read:

Subd. 5. [CHILD PROTECTION WORKERS.] Whoever assaults a child protection worker, as defined in section 626.559, subdivision 1, while the worker is engaged in the performance of a duty imposed by law, policy, or rule, and inflicts demonstrable bodily harm, is guilty of a gross misdemeanor.

Sec. 21. Minnesota Statutes 1989 Supplement, section 609.377, is amended to read:

609.377 [MALICIOUS PUNISHMENT OF A CHILD.]

A parent, legal guardian, or caretaker who, by an intentional act or a series of intentional acts with respect to a child, evidences unreasonable

force or cruel discipline that is excessive under the circumstances is guilty of malicious punishment of a child and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both. If the punishment results in substantial bodily harm, that person 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 the punishment results in great bodily harm, that person may be sentenced to imprisonment for not more than ten years or to payment of a fine of not more than \$20,000, or both.*

Sec. 22. Minnesota Statutes 1988, section 626.556, subdivision 1, is amended to read:

Subdivision 1. [PUBLIC POLICY.] The legislature hereby declares that the public policy of this state is to protect children whose health or welfare may be jeopardized through physical abuse, neglect or sexual abuse; *In furtherance of this public policy, it is the intent of the legislature under this section to strengthen the family and make the home, school, and community safe for children by promoting responsible child care in all settings; and to provide, when necessary, a safe temporary or permanent home environment for physically or sexually abused or neglected children.*

In addition, it is the policy of this state to require the reporting of neglect, physical or sexual abuse of children in the home, school, and community settings; to provide for the voluntary reporting of abuse or neglect of children; to require the assessment and investigation of the reports; and to provide protective and counseling services in appropriate cases.

Sec. 23. Minnesota Statutes 1989 Supplement, section 626.556, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] As used in this section, the following terms have the meanings given them unless the specific content indicates otherwise:

(a) "Sexual abuse" means *threatened injury* or the subjection by a person responsible for the child's care, or by a person in a position of authority, as defined in section 609.341, subdivision 10, to any act which constitutes a violation of section 609.342, 609.343, 609.344, or 609.345. Sexual abuse also includes any act which involves a minor which constitutes a violation of sections 609.321 to 609.324 or 617.246.

(b) "Person responsible for the child's care" means (1) an individual functioning within the family unit and having responsibilities for the care of the child such as a parent, guardian, or other person having similar care responsibilities, or (2) an individual functioning outside the family unit and having responsibilities for the care of the child such as a teacher, school administrator, or other lawful custodian of a child having either full-time or short-term care responsibilities including, but not limited to, day care, babysitting whether paid or unpaid, counseling, teaching, and coaching.

(c) "Neglect" means failure by a person responsible for a child's care to supply a child with necessary food, clothing, shelter or medical care when reasonably able to do so or failure to protect a child from conditions or actions which imminently and seriously endanger the child's physical or mental health when reasonably able to do so. Nothing in this section shall be construed to mean that a child is neglected solely because the child's parent, guardian, or other person responsible for the child's care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child in lieu of medical care; except

that there is a duty to report if a lack of medical care may cause imminent and serious danger to the child's health. This section does not impose upon persons, not otherwise legally responsible for providing a child with necessary food, clothing, shelter, or medical care, a duty to provide that care. "Neglect" includes prenatal exposure to a controlled substance, as defined in section 626.5561, used by the mother for a nonmedical purpose, as evidenced by withdrawal symptoms in the child at birth, results of a toxicology test performed on the mother at delivery or the child at birth, or medical effects or developmental delays during the child's first year of life that medically indicate prenatal exposure to a controlled substance. Neglect also means "medical neglect" as defined in section 260.015, subdivision 2a, clause (5).

(d) "Physical abuse" means any physical *or* mental injury, *or* threatened injury, inflicted by a person responsible for the child's care on a child other than by accidental means, or any physical *or* mental injury that cannot reasonably be explained by the child's history of injuries, or any aversive and deprivation procedures that have not been authorized under section 245.825.

(e) "Report" means any report received by the local welfare agency, police department, or county sheriff pursuant to this section.

(f) "Facility" means a day care facility, residential facility, agency, hospital, sanitarium, or other facility or institution required to be licensed pursuant to sections 144.50 to 144.58, 241.021, or 245.781 to 245.812.

(g) "Operator" means an operator or agency as defined in section 245A.02.

(h) "Commissioner" means the commissioner of human services.

(i) "Assessment" includes authority to interview the child, the person or persons responsible for the child's care, the alleged perpetrator, and any other person with knowledge of the abuse or neglect for the purpose of gathering the facts, assessing the risk to the child, and formulating a plan.

(j) "Practice of social services," for the purposes of subdivision 3, includes but is not limited to employee assistance counseling and the provision of guardian ad litem services.

(k) "*Mental injury*" means an injury to the psychological capacity or emotional stability of a child as evidenced by an observable or substantial impairment in the child's ability to function within a normal range of performance and behavior with due regard to the child's culture.

(l) "*Threatened injury*" means a statement, overt act, condition or status which represents a substantial risk of physical or sexual abuse or mental injury.

Sec. 24. Minnesota Statutes 1988, section 626.556, subdivision 3, is amended to read:

Subd. 3. [PERSONS MANDATED TO REPORT.] (a) A person who knows or has reason to believe a child is being neglected or physically or sexually abused, *as defined in subdivision 2*, or has been neglected or physically or sexually abused within the preceding three years, shall immediately report the information to the local welfare agency, police department, or the county sheriff if the person is:

(1) a professional or professional's delegate who is engaged in the practice of the healing arts, social services, hospital administration, psychological

or psychiatric treatment, child care, education, or law enforcement; or

(2) employed as a member of the clergy and received the information while engaged in ministerial duties, provided that a member of the clergy is not required by this subdivision to report information that is otherwise privileged under section 595.02, subdivision 1, paragraph (c).

The police department or the county sheriff, upon receiving a report, shall immediately notify the local welfare agency orally and in writing. The local welfare agency, upon receiving a report, shall immediately notify the local police department or the county sheriff orally and in writing. The county sheriff and the head of every local welfare agency and police department shall each designate a person within their agency, department, or office who is responsible for ensuring that the notification duties of this paragraph and paragraph (b) are carried out. Nothing in this subdivision shall be construed to require more than one report from any institution, facility, school, or agency.

(b) Any person may voluntarily report to the local welfare agency, police department, or the county sheriff if the person knows, has reason to believe, or suspects a child is being or has been neglected or subjected to physical or sexual abuse. The police department or the county sheriff, upon receiving a report, shall immediately notify the local welfare agency orally and in writing. The local welfare agency, upon receiving a report, shall immediately notify the local police department or the county sheriff orally and in writing.

(c) A person mandated to report physical or sexual child abuse or neglect occurring within a licensed facility shall report the information to the agency responsible for licensing the facility. A health or corrections agency receiving a report may request the local welfare agency to provide assistance pursuant to subdivisions 10, 10a, and 10b.

(d) Any person mandated to report shall, upon request to the local welfare agency, receive a summary of the disposition of any report made by that reporter, unless release would be detrimental to the best interests of the child. Any person who is not mandated to report shall, upon request to the local welfare agency, receive a concise summary of the disposition of any report made by that reporter, unless release would be detrimental to the best interests of the child.

(e) For purposes of this subdivision, "immediately" means as soon as possible but in no event longer than 24 hours.

Sec. 25. Minnesota Statutes 1989 Supplement, section 626.556, subdivision 10e, is amended to read:

Subd. 10e. [DETERMINATIONS.] Upon the conclusion of every assessment or investigation it conducts, the local welfare agency shall make two determinations: first, whether maltreatment has occurred; and second, whether child protective services are needed.

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

(1) ~~an assault, as defined in section 609.02, subdivision 10, or any physical contact not exempted by section 609.379, where the assault or physical contact is either severe or recurring and causes either injury or~~

significant risk of injury to the child physical abuse as defined in subdivision 2, paragraph (d);

- (2) neglect as defined in subdivision 2, paragraph (c); or
- (3) sexual abuse as defined in subdivision 2, paragraph (a); or
- (4) mental injury as defined in section 23.

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

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

Sec. 26. Minnesota Statutes 1988, section 626.556, is amended by adding a subdivision to read:

Subd. 10g. [INTERSTATE DATA EXCHANGE.] All reports and records created, collected, or maintained under this section by a local social service agency or law enforcement agency may be disclosed to a local social service or other child welfare agency of another state when the agency certifies that:

(a) the reports and records are necessary in order to conduct an investigation of actions that would qualify as sexual abuse, physical abuse, or neglect under this section; and

(b) the reports and records will be used only for purposes of a child protection assessment or investigation and will not be further disclosed to any other person or agency.

The local social service agency or law enforcement agency in this state shall keep a record of all records or reports disclosed pursuant to this subdivision and of any agency to which the records or reports are disclosed. If in any case records or reports are disclosed before a determination is made under section 626.556, subdivision 10e, or a disposition of any criminal proceedings is reached, the local social service agency or law enforcement agency in this state shall forward the determination or disposition to any agency which has received any report or record under this subdivision.

Sec. 27. Minnesota Statutes 1989 Supplement, section 626.556, subdivision 11, is amended to read:

Subd. 11. [RECORDS.] Except as provided in subdivisions 10b, 10d, 10g, and 11b, all records concerning individuals maintained by a local welfare agency under this section, including any written reports filed under subdivision 7, shall be private data on individuals, except insofar as copies of reports are required by subdivision 7 to be sent to the local police

department or the county sheriff. Reports maintained by any police department or the county sheriff shall be private data on individuals except the reports shall be made available to the investigating, petitioning, or prosecuting authority. Section 13.82, subdivisions 5, 5a, and 5b, apply to law enforcement data other than the reports. The welfare board shall make available to the investigating, petitioning, or prosecuting authority any records which contain information relating to a specific incident of neglect or abuse which is under investigation, petition, or prosecution and information relating to any prior incidents of neglect or abuse involving any of the same persons. The records shall be collected and maintained in accordance with the provisions of chapter 13. In conducting investigations and assessments pursuant to this section, the notice required by section 13.04, subdivision 2, need not be provided to a minor under the age of ten who is the alleged victim of abuse or neglect. An individual subject of a record shall have access to the record in accordance with those sections, except that the name of the reporter shall be confidential while the report is under assessment or investigation except as otherwise permitted by this subdivision. Any person conducting an investigation or assessment under this section who intentionally discloses the identity of a reporter prior to the completion of the investigation or assessment is guilty of a misdemeanor. After the assessment or investigation is completed, the name of the reporter shall be confidential. The subject of the report may compel disclosure of the name of the reporter only with the consent of the reporter or upon a written finding by the court that the report was false and that there is evidence that the report was made in bad faith. This subdivision does not alter disclosure responsibilities or obligations under the rules of criminal procedure.

Sec. 28. Minnesota Statutes 1989 Supplement, section 626.558, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT OF THE TEAM.] A county ~~may~~ *shall* establish a multidisciplinary child protection team that may include, but not be limited to, the director of the local welfare agency or designees, the county attorney or designees, the county sheriff or designees, representatives of health and education, representatives of mental health or other appropriate human service agencies, and parent groups.

Sec. 29. Minnesota Statutes 1988, section 626.559, subdivision 2, is amended to read:

Subd. 2. [JOINT TRAINING.] The commissioners of human services and public safety shall cooperate in the development of a joint program for training child abuse services professionals in the appropriate techniques for child abuse assessment and investigation. The program shall include but need not be limited to the following areas:

- (1) the public policy goals of the state as set forth in section 260.011 and the role of the assessment or investigation in meeting these goals;
- (2) the special duties of child protection workers and law enforcement officers under section 626.556;
- (3) the appropriate methods for directing and managing affiliated professionals who may be utilized in providing protective services and strengthening family ties;
- (4) the appropriate methods for interviewing alleged victims of child abuse and other minors in the course of performing an assessment or an investigation;

(5) the dynamics of child abuse and neglect within family systems and the appropriate methods for interviewing parents in the course of the assessment or investigation, *including training in recognizing cases in which one of the parents is a victim of domestic abuse and in need of special legal or medical services;*

(6) the legal, evidentiary considerations that may be relevant to the conduct of an assessment or an investigation;

(7) the circumstances under which it is appropriate to remove the alleged abuser or the alleged victim from the home;

(8) the protective social services that are available to protect alleged victims from further abuse, to prevent child abuse *and domestic abuse*, and to preserve the family unit, *and training in the preparation of case plans to coordinate services for the alleged child abuse victim with services for any parents who are victims of domestic abuse;* and

(9) the methods by which child protection workers and law enforcement workers cooperate in conducting assessments and investigations in order to avoid duplication of efforts.

Sec. 30. [626.5621] [STATEWIDE CHILD MALTREATMENT TOLL-FREE HELPLINE.]

Subdivision 1. [ESTABLISHMENT OF TELEPHONE HELPLINE.] The commissioner of human services shall provide for the establishment by January 1, 1991, of a statewide 24-hour telephone helpline for the primary purpose of providing families with support, information, and other assistance in resolving parenting crises, preventing child abuse and neglect, and promoting healthy family relationships. Services provided shall include: crisis counseling; the provision of child development information; referrals to appropriate local services including mental health services, child care resources, child protection and other social services, and parent and child support groups; and the education of callers on how to locate appropriate resources. Families in every part of the state shall have access to a toll-free telephone helpline.

Subd. 2. [DUTIES OF COMMISSIONER.] (a) The commissioner shall contract for the provision of the services described in this section. The contract must require that all staff and volunteers who will be providing the services are trained and supervised by professionals with knowledge and experience in the areas of parent education, child development, child maltreatment, and counseling.

(b) The commissioner shall appoint an advisory committee of up to seven persons, representative of the different geographic regions of the state and of the expected consumers of the service, to advise the commissioner on all aspects of the commissioner's duties under this section. Members of this committee serve without compensation but shall receive reimbursement for expenses.

(c) The commissioner shall provide for an annual evaluation by an independent consultant of the need for the services described in subdivision 1 and the extent to which the services being provided meet that need.

(d) The commissioner shall report to the legislature concerning this program by January 1 of each odd-numbered year.

Subd. 3. [ANONYMITY; MANDATORY REPORTING OF CHILD

ABUSE.] *The identity of any caller shall not be requested as a prerequisite to providing the services described in this section. Any communication with the telephone helpline service established under this section by a person mandated to report abuse or neglect under section 626.556, does not satisfy the obligation to report under that section.*

Sec. 31. [ATTORNEY GENERAL DATA PRACTICES STUDY.]

The attorney general shall study and make recommendations regarding government data practices that affect the child protection system. The attorney general shall consult with a multidisciplinary task force of individuals involved in the child protection system, including child protection agencies, law enforcement, prosecution and defense attorneys, the department of administration data protection division, and members of the public. The attorney general shall:

(1) prepare a plain-language interpretation of existing data practices laws that affect the child protection system;

(2) identify ambiguities and inconsistencies in the laws and compare the classification and treatment of data in law enforcement and child protection agencies;

(3) prepare standard forms for giving information to individuals under Minnesota Statutes, section 13.04, subdivision 2, and for reports under Minnesota Statutes, section 626.556;

(4) determine the need for giving mandated reporters, law enforcement, and child protection workers who must diagnose and investigate child abuse increased access to medical records and information on prior abuse; and

(5) consider the desirability of defining false or unfounded reports under section 626.556.

The attorney general shall report and make recommendations to the legislature by December 15, 1991.

Sec. 32. [CHILD ABUSE; PLAN FOR STATEWIDE COMPUTER DATA SYSTEM.]

The commissioner of public safety, in consultation with the department of human services, shall determine the feasibility and costs of establishing a statewide computerized data system containing the following information on determinations made under Minnesota Statutes, section 626.556, and on the criminal and juvenile court matters specified in clauses (1) to (6):

(1) identifying information on any individual that a local social service agency has determined under section 626.556, subdivision 10e, to have been responsible for the maltreatment of a child or to have necessitated the provision of child protective services for a child, and the name and birth date of any child found to have been maltreated or to be in need of child protective services as a result of the individual's actions;

(2) identifying information on individuals arrested for, charged with, or convicted of malicious punishment of a child or neglect of a child;

(3) pretrial release conditions applicable to individuals charged with an offense listed in clause (2);

(4) probation and supervised release conditions applicable to individuals convicted of an offense listed in clause (2);

(5) identifying information on individuals whose parental rights to a child have been involuntarily terminated under Minnesota Statutes, section 260.226; and

(6) identifying information on individuals who have a child who was found to be in need of protective services as defined in Minnesota Statutes, section 260.015, subdivision 2a.

The commissioner shall also determine the feasibility and costs of requiring all local social service agencies, law enforcement agencies, prosecutors, courts, and court services personnel to report relevant information to the statewide data system; of making the information available to these agencies on request; and of providing a process by which the accuracy of the data may be reviewed at the request of the subject of the data.

The commissioner shall report the results of the study and provide an implementation plan to the chairs of the judiciary committees in the house of representatives and the senate on or before February 1, 1991.

Sec. 33. [SUPREME COURT REVIEW OF CERTAIN JUVENILE COURT ISSUES.]

The supreme court is requested to study and review the following two issues:

(1) whether the use of Minnesota Statutes, section 542.16, and Rule 63.03 of the rules of civil procedure to remove judges in juvenile court cases involving allegations of child abuse or neglect is frequent and appropriate;

(2) whether there is adequate special training for judges who hear juvenile court cases involving allegations of child abuse or neglect.

The supreme court is requested to report to the judiciary committees of the senate and the house of representatives with any findings or recommendations for change resulting from these reviews.

Sec. 34. [CHILD ABUSE PREVENTION GRANT.]

The commissioner of human services shall award a grant to a nonprofit, statewide child abuse prevention organization whose primary focus is parent self-help and support. Grant money may be used for one or more of the following activities:

(1) to provide technical assistance and consultation to individuals, organizations, or communities to establish local or regional parent self-help and support organizations for abusive or potentially abusive parents;

(2) to provide coordination and networking among existing parent self-help child abuse prevention organizations;

(3) to recruit, train, and provide leadership for volunteers working in child abuse prevention programs;

(4) to expand and develop child abuse programs throughout the state;
or

(5) for statewide educational and public information efforts to increase awareness of the problems and solutions of child abuse.

Sec. 35. [APPROPRIATIONS.]

(a) \$ is appropriated from the general fund to the commissioner of public safety for the fiscal year ending June 30, 1991, for the child abuse professional consultation telephone line established under Minnesota Statutes, section 626.562.

(b) \$ is appropriated to the commissioner of human services for the fiscal year ending June 30, 1991, to establish and administer the statewide child maltreatment toll-free helpline under section 30.

(c) Additional funds, in the amount of \$, are appropriated from the general fund to the commissioner of health, for the biennium ending June 30, 1991, to be used for family planning grants under Minnesota Statutes, section 145.925. The supplemental funds authorized by this paragraph shall be targeted to provide support services to persons who are at risk for unplanned pregnancies and who, because of dependency on alcohol or other drugs, are seen to be at risk of creating abusive family settings.

(d) \$ is appropriated from the general fund to the legislative coordinating commission for the administration of the legislative commission on children.

(e) \$ is appropriated from the general fund to the commissioner of human services for the fiscal year ending June 30, 1991, to award a child abuse prevention grant under section 34.

Sec. 36. [EFFECTIVE DATE.]

Sections 19, 20, and 21 are effective August 1, 1990, and apply to crimes committed on or after that date.”

Delete the title and insert:

“A bill for an act relating to children; creating a legislative commission on children; providing improved procedures to protect the safety and welfare of abused and neglected children; providing for more permanent placements of children in need of protection or services; improving data practices; including mental injuries and threatened injuries as abuse to be reported as maltreatment of minors; increasing penalties for assault against a child when there is a past pattern of child abuse; increasing the penalty for malicious child punishment resulting in great bodily harm; increasing the penalty for assaulting a child protection worker who is performing lawful duties; excluding persons convicted of child abuse or criminal sexual conduct seeking employment in juvenile corrections from certain protections for criminal offenders; appropriating money; amending Minnesota Statutes 1988, sections 147.09; 260.011, subdivision 2; 260.155, subdivision 1; 609.2231, by adding a subdivision; 626.556, subdivisions 1, 3, and by adding a subdivision; 626.559, subdivision 2; Minnesota Statutes 1989 Supplement, sections 245A.04, subdivision 3; 260.015, subdivision 2a; 260.161, subdivision 2; 260.171, subdivision 4; 260.191, subdivision 1; 260.221, subdivision 1; 364.09; 609.223; 609.377; 626.556, subdivisions 2, 10e, and 11; and 626.558, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 3; 144; 147; 148; 245; 260; and 626.”

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

SECOND READING OF SENATE BILLS

S.F. Nos. 1879, 1927, 2092, 2156, 1980, 1979, 354, 1032, 2090, 2172, 2281, 2208 and 2127 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. No. 1895 was read the second time.

MOTIONS AND RESOLUTIONS

Mr. Renneke moved that the name of Mr. Piepho be added as a co-author to S.F. No. 1782. The motion prevailed.

Mr. Solon moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1790. The motion prevailed.

Mr. Solon moved that the name of Ms. Reichgott be added as a co-author to S.F. No. 1791. The motion prevailed.

Mr. Pogemiller moved that the name of Mr. Morse be added as a co-author to S.F. No. 1949. The motion prevailed.

Ms. Reichgott moved that the name of Mr. Moe, D.M. be added as a co-author to S.F. No. 2062. The motion prevailed.

Mrs. Adkins moved that the name of Mr. Moe, D.M. be added as a co-author to S.F. No. 2075. The motion prevailed.

Mr. Pogemiller moved that the name of Mr. Davis be added as a co-author to S.F. No. 2081. The motion prevailed.

Mr. Morse moved that the name of Mr. Pehler be added as a co-author to S.F. No. 2191. The motion prevailed.

Mr. Morse moved that the name of Mr. Moe, D.M. be added as a co-author to S.F. No. 2195. The motion prevailed.

Mr. Peterson, R.W. moved that the name of Ms. Olson be added as a co-author to S.F. No. 2201. The motion prevailed.

Mr. DeCramer moved that the name of Mr. Chmielewski be added as a co-author to S.F. No. 2219. The motion prevailed.

Mr. Frank moved that the name of Mr. Solon be added as a co-author to S.F. No. 2281. The motion prevailed.

Mr. Frank moved that the names of Messrs. Kroening and Dahl be added as co-authors to S.F. No. 2282. The motion prevailed.

Mr. Davis moved that the names of Mr. Bertram and Mrs. Lantry be added as co-authors to S.F. No. 2284. The motion prevailed.

Mr. Pogemiller moved that the name of Ms. Reichgott be added as a co-author to S.F. No. 2329. The motion prevailed.

Mr. Diessner moved that the name of Ms. Piper be added as a co-author to S.F. No. 2374. The motion prevailed.

Mr. Chmielewski moved that the name of Mr. Johnson, D.J. be added as a co-author to S.F. No. 2375. The motion prevailed.

Mr. Beckman moved that the names of Messrs. Morse and Vickerman be added as co-authors to S.F. No. 2404. The motion prevailed.

Mr. Lessard moved that the name of Mr. Peterson, R.W. be added as a co-author to S.F. No. 2422. The motion prevailed.

Mr. Dicklich moved that the names of Messrs. Johnson, D.J. and Lessard be added as co-authors to S.F. No. 2429. The motion prevailed.

Mr. Bertram introduced—

Senate Resolution No. 155: A Senate resolution commemorating the dedication of Kimball Elementary School, Kimball, Minnesota.

Referred to the Committee on Rules and Administration.

Messrs. Bertram and Novak introduced—

Senate Resolution No. 156: A Senate resolution commending Michael D. Brainard, State Commander of the Department of Minnesota Veterans of Foreign Wars, for his dedicated, effective, and outstanding service.

Referred to the Committee on Rules and Administration.

Messrs. Bertram, Pehler and Johnson, D.E. introduced—

Senate Resolution No. 157: A Senate resolution commending Francis Januschka for his 22 years of work as Stearns County Extension Director.

Referred to the Committee on Rules and Administration.

Mr. Bertram introduced—

Senate Resolution No. 158: A Senate resolution saluting the 50th Anniversary of the inception of the paratrooper as a tactical fighting unit.

Referred to the Committee on Rules and Administration.

Mr. Moe, R.D. moved that S.F. No. 1674 be withdrawn from the Committee on Taxes and Tax Laws and re-referred to the Committee on Judiciary. The motion prevailed.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

APPOINTMENTS

Mr. Moe, R.D. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

S.F. No. 60: Messrs. DeCramer, Merriam and Frederickson, D.R.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Pehler introduced—

S.F. No. 2436: A bill for an act relating to education; appropriating money to the board of teaching to support teacher education curriculum revision.

Referred to the Committee on Education.

Mr. Pehler introduced—

S.F. No. 2437: A bill for an act relating to education; appropriating money to the board of teaching to implement an assessment system.

Referred to the Committee on Education.

Messrs. Mehrkens and Larson introduced—

S.F. No. 2438: A bill for an act proposing an amendment to the Minnesota Constitution, changing article IV, sections 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 24, 25, and 26; article V, sections 3 and 5; article VIII, section 1; article IX, sections 1 and 2; and article XI, section 5; providing for a unicameral legislature; providing by law for a membership of 135 members; amending Minnesota Statutes 1988, sections 2.021; and 2.031, subdivision 1.

Referred to the Committee on Elections and Ethics.

Mr. Larson introduced—

S.F. No. 2439: A bill for an act relating to education; allowing the Pine Point School to qualify for federal impact aid; amending Minnesota Statutes 1989 Supplement, sections 128B.01, subdivision 1; and 128B.03, subdivisions 3, 4, 6, and 8; repealing Minnesota Statutes 1989 Supplement, sections 128B.02, subdivision 4; and 128B.05, subdivision 3.

Referred to the Committee on Education.

Messrs. Dicklich; Johnson, D.E.; Chmielewski and Mrs. Brataas introduced—

S.F. No. 2440: A bill for an act relating to education; requiring a plan to implement a Minnesota legislative school; appropriating money.

Referred to the Committee on Education.

Mr. Metzen introduced—

S.F. No. 2441: A bill for an act relating to financial institutions; requiring notice of proposed acquisition; proposing coding for new law in Minnesota Statutes, chapter 46.

Referred to the Committee on Commerce.

Mr. Pehler introduced—

S.F. No. 2442: A bill for an act relating to education; providing for alternative preparation licensing of teachers in certain cases; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 125.

Referred to the Committee on Education.

Mr. Metzen introduced—

S.F. No. 2443: A bill for an act relating to education; providing for flagging of school records of missing children; proposing coding for new law in Minnesota Statutes, chapter 120.

Referred to the Committee on Education.

Mrs. Pariseau, Messrs. Lessard and Frederickson D.R. introduced—

S.F. No. 2444: A bill for an act relating to education; establishing a task force to develop a model natural resources education model curriculum for consideration of the state board of education; appropriating money.

Referred to the Committee on Environment and Natural Resources.

Mr. Kroening introduced—

S.F. No. 2445: A bill for an act relating to state government; authorizing the commissioner of jobs and training to establish a position in the unclassified service; amending Minnesota Statutes 1988, section 268.0121, subdivision 3.

Referred to the Committee on Governmental Operations.

Messrs. Dicklich; Johnson, D.J. and Novak introduced—

S.F. No. 2446: A bill for an act relating to motor carriers; deferring enforcement actions against irregular route common carriers pending legislative study.

Referred to the Committee on Transportation.

Messrs. Novak; Lessard; Frederickson, D.R. and Dahl introduced—

S.F. No. 2447: A bill for an act relating to environment and natural resources; authorizing the issuance of state bonds and expenditure of the proceeds to acquire and to better state parks, recreation areas, trails, forests, wildlife management areas, scientific and natural areas, wild, scenic, and recreational rivers, canoe and boating routes, and public water access; to improve fish, wildlife, and native plant habitat; to provide for private critical habitat match program; to provide for construction of wastewater treatment facilities, state independent grants for construction of municipal wastewater treatment facilities, state match to federal revolving loan, and combined sewer overflow grants; for acquisition and enhancement of metropolitan regional parks; for local recreation grants; for waste management; authorizing issuance of state bonds; appropriating money.

Referred to the Committee on Environment and Natural Resources.

Mr. Knutson introduced—

S.F. No. 2448: A bill for an act relating to human services; requiring the commissioner of human services to seek an exemption from federal medical assistance requirements to allow applicants and recipients to count certain donated health care services as health care expenses for purposes of determining eligibility for medical assistance.

Referred to the Committee on Health and Human Services.

Mr. Merriam introduced—

S.F. No. 2449: A bill for an act relating to human services; changing the age requirement for disclosure of certain information to adopted persons; amending Minnesota Statutes 1988, sections 259.253; 259.47, subdivisions 1 and 4; Minnesota Statutes 1989 Supplement, section 259.49, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Ramstad introduced—

S.F. No. 2450: A bill for an act relating to human services; establishing certain standards for licensed day care programs; amending Minnesota Statutes 1988, section 245A.14, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Mr. Waldorf, Mrs. Lantry and Mr. Moe, D.M. introduced—

S.F. No. 2451: A bill for an act relating to liquor; requiring public facilities that sell beer to offer a Minnesota produced beer for sale.

Referred to the Committee on Commerce.

Messrs. Pogemiller, DeCramer, Decker, Dicklich and Larson introduced—

S.F. No. 2452: A bill for an act relating to education; establishing a state loan program for minority teachers; proposing coding for new law in Minnesota Statutes, chapter 136A.

Referred to the Committee on Education.

Mr. Hughes introduced—

S.F. No. 2453: A bill for an act relating to state government; regulating the management compensation plan and certain judicial salaries; amending Minnesota Statutes 1988, sections 15A.083, subdivision 7; and 43A.18, subdivision 3.

Referred to the Committee on Governmental Operations.

Mr. Marty introduced—

S.F. No. 2454: A bill for an act relating to waste; placing waste stream diversion requirements on counties who apply for solid waste resource recovery permits; requiring a study of the environmental effects of existing resource recovery facilities; placing a moratorium on new permits until completion of the study; appropriating money; amending Minnesota Statutes 1989 Supplement, section 116.07, subdivision 4j.

Referred to the Committee on Environment and Natural Resources.

Mr. Mehrkens introduced—

S.F. No. 2455: A bill for an act relating to cemeteries; allowing transfer of certain cemetery property to a religious corporation; amending Minnesota Statutes 1988, section 306.02, by adding a subdivision.

Referred to the Committee on General Legislation and Public Gaming.

Mrs. Adkins introduced—

S.F. No. 2456: A bill for an act relating to education; providing counseling, referral, assessment, guidance, and other support services for elementary school students; proposing coding for new law in Minnesota Statutes, chapter 123.

Referred to the Committee on Education.

Mr. Morse introduced—

S.F. No. 2457: A bill for an act relating to capital improvements; providing for capital expenses at Winona State University; authorizing sale of state bonds; appropriating money.

Referred to the Committee on Finance.

Messrs. Morse; Waldorf; Moe, D.M.; DeCramer and Frederickson, D.R. introduced—

S.F. No. 2458: A bill for an act relating to the environment; placing restrictions on use of water for once-through cooling systems; changing water use processing fees for once-through cooling systems; appropriating money; amending Minnesota Statutes 1988, section 105.41, by adding a subdivision; and Minnesota Statutes 1989 Supplement, section 105.41, subdivisions 1c and 5a.

Referred to the Committee on Environment and Natural Resources.

Mr. Storm introduced—

S.F. No. 2459: A bill for an act relating to telephone service; private shared telecommunications services; exempting providers of private shared telecommunications services from regulation and supervision by the public utilities commission and the department of public service; requiring telephone companies to provide local exchange service to private shared telecommunications services and tenants in buildings in which private shared telecommunications services are available at the same rate that the local exchange service is provided to other commercial customers; amending Minnesota Statutes 1988, section 237.68, subdivisions 1 and 6; repealing Minnesota Statutes 1988, section 237.68, subdivisions 4 and 5.

Referred to the Committee on Public Utilities and Energy.

Mrs. Brataas, Ms. Olson, Mrs. Pariseau, Mr. Piepho and Mrs. McQuaid introduced—

S.F. No. 2460: A bill for an act relating to child support; creating a demonstration project for the collection of delinquent child support.

Referred to the Committee on Health and Human Services.

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

S.F. No. 2461: A bill for an act relating to mining; amending certain provisions relating to operators' bonds; amending Minnesota Statutes 1988, section 93.49.

Referred to the Committee on Environment and Natural Resources.

Mrs. Pariseau, Messrs. Ramstad and Marty introduced—

S.F. No. 2462: A bill for an act relating to traffic regulations; imposing mandatory minimum fine for violators of handicapped parking restrictions; providing a penalty for a physically handicapped person who parks in handicapped parking space without required certificate or license plates; amending Minnesota Statutes 1988, section 169.346, subdivision 3.

Referred to the Committee on Transportation.

Mr. Diessner introduced—

S.F. No. 2463: A bill for an act relating to local government; authorizing cities to limit construction and impose charges because of street use; proposing coding for new law in Minnesota Statutes, chapter 471.

Referred to the Committee on Local and Urban Government.

Messrs. DeCramer; Peterson, R. W.; Ms. Flynn, Messrs. Larson and Pehler introduced—

S.F. No. 2464: A bill for an act relating to education; providing for long-range Indian education plans; proposing coding for new law in Minnesota Statutes, chapter 126.

Referred to the Committee on Education.

Messrs. Solon; Johnson, D.J.; Dicklich; Lessard and Samuelson introduced—

S.F. No. 2465: A bill for an act relating to economic development; requiring a prevailing wage for projects which received economic development related financial assistance from a government agency; requiring certification from the commissioners of the pollution control agency and labor and industry relating to past violations; proposing coding for new law in Minnesota Statutes, chapter 116J.

Referred to the Committee on Economic Development and Housing.

Mr. Pogemiller, Ms. Piper, Messrs. Moe, R.D.; Stumpf and Ms. Berglin introduced—

S.F. No. 2466: A bill for an act relating to taxation; income; authorizing a tax checkoff for foodshelf programs; appropriating money; amending Minnesota Statutes 1988, section 290.431; proposing coding for new law in Minnesota Statutes, chapter 268.

Referred to the Committee on Taxes and Tax Laws.

Mr. Anderson introduced—

S.F. No. 2467: A bill for an act relating to education; approving a capital loan to the Osakis school district.

Referred to the Committee on Education.

Messrs. Vickerman and Morse introduced—

S.F. No. 2468: A bill for an act relating to agriculture; requiring certain disclosures about artificial cheese; proposing coding for new law in Minnesota Statutes, chapter 31.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Peterson, R. W.; Merriam; Ms. Reichgott and Mr. Benson introduced—

S.F. No. 2469: A bill for an act relating to taxation; tax increment financing; modifying the requirements for the collection and expenditure of increments; providing for the computation of state aids; amending Minnesota Statutes 1988, sections 469.129, subdivision 2; 469.174, subdivision 12, and by adding a subdivision; 469.175, subdivision 1a, and by adding subdivisions; 469.176, subdivisions 2 and 3; 469.177, subdivision 8; 469.179, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 469.175, subdivision 4; 469.176, subdivision 4c; 469.177, subdivision 9; Minnesota Statutes Second 1989 Supplement, sections 469.174, subdivisions 7 and 10; 469.175, subdivisions 3 and 7; 469.176, subdivisions 1 and 4j; Laws 1988, chapter 719, article 12, section 30, as amended; proposing coding for new law in Minnesota Statutes, chapters 273 and 469.

Referred to the Committee on Economic Development and Housing.

Mr. Anderson introduced—

S.F. No. 2470: A bill for an act relating to insurance; increasing access to the comprehensive health insurance plan; amending Minnesota Statutes 1988, sections 62E.02, subdivisions 2, 8, and 13; 62E.11, subdivision 2; 62E.14, by adding subdivisions; Minnesota Statutes 1989 Supplement, section 363.02, subdivision 1.

Referred to the Committee on Commerce.

Messrs. Storm and Laidig introduced—

S.F. No. 2471: A bill for an act relating to utilities; limiting public utilities commissioners to one term; amending Minnesota Statutes 1988, section 216A.03, subdivision 1.

Referred to the Committee on Public Utilities and Energy.

Mr. Vickerman introduced—

S.F. No. 2472: A bill for an act relating to human services; relating to the powers of the commissioner; amending Minnesota Statutes 1989 Supplement, section 256.045, subdivision 6.

Referred to the Committee on Health and Human Services.

Mr. Anderson introduced—

S.F. No. 2473: A bill for an act relating to insurance; restricting underwriting practices for group health insurance; proposing coding for new law in Minnesota Statutes, chapter 62A.

Referred to the Committee on Commerce.

Messrs. Knaak, Belanger and McGowan introduced—

S.F. No. 2474: A bill for an act relating to taxation; property; changing the class rates applied to certain homestead property; amending Minnesota Statutes Second 1989 Supplement, section 273.13, subdivisions 22 and 23.

Referred to the Committee on Taxes and Tax Laws.

Ms. Berglin introduced—

S.F. No. 2475: A bill for an act relating to health; requiring outpatient endoscopic clinics to be licensed under rules governing outpatient surgical centers; providing exemptions to the rules; proposing coding for new law in Minnesota Statutes, chapter 144.

Referred to the Committee on Health and Human Services.

Ms. Berglin introduced—

S.F. No. 2476: A bill for an act relating to child support; increasing the percentage of an obligor's net income to be paid as child support; amending Minnesota Statutes 1988, section 518.551, subdivision 5.

Referred to the Committee on Health and Human Services.

Mr. Bertram introduced—

S.F. No. 2477: A bill for an act relating to agriculture; providing for light butter; amending Minnesota Statutes 1988, section 32.471, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 32.

Referred to the Committee on Agriculture and Rural Development.

Ms. Berglin introduced—

S.F. No. 2478: A bill for an act relating to human services; clarifying medical assistance payment rate procedures for hospitals; allowing case management for certain recipients of medical assistance; amending verification of pregnancy requirements for medical assistance eligibility; clarifying eligibility requirements for medical assistance and general assistance medical care; clarifying asset and income allowances for institutionalized spouses; clarifying services to be covered by medical assistance; establishing requirements for a relative's responsibility; expanding the homestead exclusion for medical assistance eligibility; establishing procedures for a vendor's request for a contested case proceeding; establishing requirements for claims against the estate of a recipient; clarifying procedures for enforcement of medical support; amending Minnesota Statutes 1988, sections 13.46, subdivision 5; 256B.04, subdivision 15; 256B.055, subdivisions 3, 5, and 6; 256B.056, subdivisions 2, 7, and by adding a subdivision; 256B.0625, subdivisions 4, 5, 9, and by adding subdivisions; 256B.15; 256B.19, by adding a subdivision; 256B.69, subdivision 3; 256D.03, subdivisions 3 and 7; 518.171, subdivisions 1, 3, 4, and 7; Minnesota Statutes 1989 Supplement, sections 256.969, subdivisions 2c and 6a; 256.9695, subdivisions 1 and 3; 256B.055, subdivision 7; 256B.056, subdivisions 3 and 4; 256B.057, subdivisions 1, 2, and by adding subdivisions; 256B.0575; 256B.059, subdivisions 4 and 5; 256B.0595, subdivisions 1, 2, and 4; 256B.14; 256B.69, subdivision 16; 256D.03, subdivision 4; Laws 1989, chapter 282, article 3, section 98, subdivisions 4 and 5; proposing coding

for new law in Minnesota Statutes, chapter 256B; repealing Minnesota Statutes 1989 Supplement, section 256B.055, subdivision 8.

Referred to the Committee on Health and Human Services.

Mr. Freeman introduced—

S.F. No. 2479: A bill for an act relating to commerce; regulating mortgage payment services; requiring a license and bond; prescribing the duties of the commissioner; establishing fees; proposing coding for new law as Minnesota Statutes, chapter 82C.

Referred to the Committee on Commerce.

Messrs. Langseth, Morse and Stumpf introduced—

S.F. No. 2480: A bill for an act relating to workers' compensation; regulating benefits and insurance; amending Minnesota Statutes 1988, sections 79.01, subdivision 1; 79.074, by adding subdivisions; 79.50; 79.59; 176.011, subdivisions 11a, 18, and by adding a subdivision; 176.021, subdivision 3; 176.061, subdivision 10; 176.101, subdivisions 1, 2, 4, 5, 6, and by adding a subdivision; 176.102, subdivisions 1, 4, 6, 7, and 11; 176.105, subdivisions 1 and 4; 176.111, subdivisions 6, 7, 8, 12, 14, 15, 20, and 21; 176.131, subdivision 8; 176.132, subdivisions 1 and 3; 176.179; 176.221, subdivision 6a; and 176.645, subdivisions 1 and 2; Minnesota Statutes 1989 Supplement, section 176.132, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 79 and 176; repealing Minnesota Statutes 1988, sections 79.51; 79.52, subdivisions 2 and 12; 79.53; 79.54; 79.55; 79.56; 79.57; 79.58; 79.60; 79.61; 79.62; 176.011, subdivision 26; 176.101, subdivisions 3a, 3b, 3c, 3d, 3f, 3g, 3h, 3i, 3j, 3k, 3l, 3m, 3n, 3o, 3p, 3q, 3r, 3s, 3t, and 3u; 176.111, subdivision 8a; Minnesota Statutes 1989 Supplement, section 176.101, subdivision 3e.

Referred to the Committee on Employment.

Mr. Beckman introduced—

S.F. No. 2481: A bill for an act relating to health; requiring an asbestos abatement rule change.

Referred to the Committee on Health and Human Services.

Mr. Johnson, D.J. introduced—

S.F. No. 2482: A bill for an act relating to workers' compensation; providing for regulation of insurance rates; amending Minnesota Statutes 1988, sections 79.01, subdivision 1; 79.074, by adding subdivisions; 79.50; and 79.59; proposing coding for new law in Minnesota Statutes, chapter 79; repealing Minnesota Statutes 1988, sections 79.51; 79.52, subdivisions 2 and 12; 79.53; 79.54 to 79.58; and 79.60 to 79.62.

Referred to the Committee on Employment.

Ms. Reichgott introduced—

S.F. No. 2483: A bill for an act relating to corporations; clarifying and modifying provisions relating to the organization and operation of nonprofit corporations; amending Minnesota Statutes 1989 Supplement, sections

317A.011, subdivision 15; 317A.021, subdivision 4; 317A.111, subdivision 3; 317A.115, subdivision 2; 317A.133, subdivisions 1, 2, 3, and 4; 317A.181, subdivision 2; 317A.201; 317A.205; 317A.207, subdivision 1; 317A.213; 317A.225; 317A.237; 317A.251, subdivision 3; 317A.301; 317A.311; 317A.321; 317A.341, subdivision 2; 317A.401, subdivision 4; 317A.403; 317A.431; 317A.435, subdivision 2; 317A.443, subdivision 1; 317A.453, subdivision 3; 317A.455, subdivision 3; 317A.615, subdivision 1; 317A.711, subdivision 2; 317A.735, subdivisions 1 and 2; 317A.811, subdivisions 1, 4, and 6; 317A.821, subdivision 2; 317A.823, subdivisions 2 and 3; and 354A.021, subdivision 2.

Referred to the Committee on Judiciary.

Messrs. Morse; Frederickson, D.R.; Langseth; Frederickson, D.J. and Mehrkens introduced—

S.F. No. 2484: A bill for an act relating to finance; appropriating money for purple loosestrife control.

Referred to the Committee on Finance.

Mr. Anderson introduced—

S.F. No. 2485: A bill for an act relating to agriculture; providing compensation for honeybee colonies damaged or destroyed during a program of grasshopper control; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 3.

Referred to the Committee on Agriculture and Rural Development.

Mr. Novak introduced—

S.F. No. 2486: A bill for an act relating to highways; directing commissioner of transportation not to use stop and go signals on certain entrance ramps to I-94 until 1992.

Referred to the Committee on Transportation.

Mr. Decker introduced—

S.F. No. 2487: A bill for an act relating to Hubbard county; permitting the county board to assign certain duties to the county recorder and the county auditor.

Referred to the Committee on Local and Urban Government.

Mr. Dicklich introduced—

S.F. No. 2488: A bill for an act relating to education; establishing a special class of local telephone service provided to schools; proposing monthly rates; providing a levy; amending Minnesota Statutes 1988, sections 237.06; and 275.125, by adding a subdivision.

Referred to the Committee on Public Utilities and Energy.

Mr. Lessard introduced—

S.F. No. 2489: A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited land in Koochiching and Lincoln counties;

authorizing the private sale of certain state lands in Scott, Hubbard, and Fillmore counties; appropriating proceeds of the Scott county conveyance; authorizing the sale of certain surplus land in Lake county; authorizing the sale of certain trust fund land in St. Louis county; authorizing the sale of surplus land in Grant county for recreational purposes.

Referred to the Committee on Environment and Natural Resources.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 2:00 p.m., Thursday, March 8, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-EIGHTH DAY

St. Paul, Minnesota, Thursday, March 8, 1990

The Senate met at 2:00 p.m. and was called to order by the President.

CALL OF THE SENATE

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

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

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

Adkins	Dahl	Johnson, D.E.	Merriam	Ramstad
Anderson	Decker	Johnson, D.J.	Moe, D.M.	Reichgott
Beckman	DeCramer	Knaak	Moe, R.D.	Renneke
Belanger	Dicklich	Knutson	Morse	Samuelson
Benson	Diessner	Kroening	Novak	Schmitz
Berg	Flynn	Laidig	Olson	Solon
Berglin	Frank	Langseth	Pariseau	Spear
Bernhagen	Frederick	Lantry	Pehler	Storm
Bertram	Frederickson, D.J.	Luther	Peterson, R.W.	Stumpf
Brandl	Frederickson, D.R.	Marty	Piepho	Vickerman
Brataas	Freeman	McGowan	Piper	Waldorf
Chmielewski	Gustafson	McQuaid	Pogemiller	
Cohen	Hughes	Mehrkens	Purfeerst	

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Davis, Larson, Lessard and Metzen were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

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

March 2, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Robert W. Johnson, 2006 - 1st Ave. N., Anoka, Anoka County, has been appointed by me, effective February 25, 1990, for a term expiring the first Monday in January, 1994.

(Referred to the Committee on Judiciary.)

Sincerely,
Rudy Perpich, Governor

March 2, 1990

The Honorable Jerome Hughes
State Senator
President of the Senate
328 State Capitol
St. Paul, Minnesota 55155

Dear Mr. Hughes:

The following appointments and reappointments to the Greater Minnesota Corporation Board of Directors are hereby respectfully submitted to the Senate for confirmation as required by law:

Mr. Glen Taylor, 1725 Roe Crest Dr., N. Mankato, MN, has been appointed to the Board, effective January 24, 1990, for a term of six years.

Mr. William C. Norris, P.O. Box 59074, Minneapolis, MN, has been reappointed to the Board, effective January 24, 1990, for a term of six years.

Mr. Francis J. Ryan, P.O. Box 96, Hibbing, MN, has been reappointed to the Board, effective January 24, 1990, for a term of six years.

(Referred to the Committee on Economic Development and Housing.)

Sincerely,
William C. Norris
Chair
Greater Minnesota Corporation
Board of Directors

REPORTS OF COMMITTEES

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1891: A bill for an act relating to trusts; changing certain trust requirements; abolishing the common law rule against perpetuities; amending Minnesota Statutes 1989 Supplement, sections 501B.09, by adding a subdivision; 501B.46; 501B.65, subdivision 2; 501B.67, subdivision 1;

501B.68; 501B.69; 501B.72, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 501B; repealing Minnesota Statutes 1988, sections 501A.01; 501A.02; 501A.03; 501A.04; and 501A.07; Minnesota Statutes 1989 Supplement, sections 501A.05; and 501A.06.

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

Page 1, after line 13, insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 501A.05, is amended to read:

501A.05 [PROSPECTIVE APPLICATION.]

(a) Except as extended by subsection (b), sections 501A.01 to 501A.07 apply to a nonvested property interest or a power of appointment that is created after December 31, ~~1990~~ 1991. For purposes of this section, a nonvested property interest or a power of appointment created by the exercise of a power of appointment is created when the power is irrevocably exercised or when a revocable exercise becomes irrevocable.

(b) If a nonvested property interest or a power of appointment was created before January 1, ~~1991~~ 1992, and is determined in a judicial proceeding, commenced after December 31, ~~1990~~ 1991, to violate this state's rule against perpetuities as that rule existed before January 1, ~~1991~~ 1992, a court upon the petition of an interested person may reform the disposition in the manner that most closely approximates the transferor's manifested plan of distribution and is within the limits of the rule against perpetuities applicable when the nonvested property interest or power of appointment was created."

Page 1, delete section 2

Page 1, line 27, after "(a)" insert "*Except as provided in paragraph (c).*" and reinstate the stricken "If" and delete the new language

Page 2, line 7, after "(b)" insert "*Except as provided in paragraph (c).*" and reinstate the stricken "If" and delete the new language

Page 5, line 26, delete "*such an*" and insert "*the*"

Page 5, delete section 9

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete everything after the semicolon

Page 1, line 4, delete "perpetuities;"

Page 1, line 5, after "sections" insert "501A.05;"

Page 1, line 7, after "501B.69;" insert "and" and delete "proposing" and insert a period

Page 1, delete lines 8 to 12

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

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

S.F. No. 2239: A bill for an act relating to finance; amending provisions of the family farm security act; repealing certain provisions of the family farm security act; transferring authority over the family farm security act to the commissioner of administration; amending default procedures; deleting provisions to review payment adjustments; reducing the bond authority of the rural finance authority; amending Minnesota Statutes 1988, sections 41.52, subdivision 4; 41.53, by adding subdivisions; 41.56, subdivision 3; 41.57, subdivision 2; 41.59; 41.65; and 41B.19, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 41; repealing Minnesota Statutes 1988, sections 41.54; 41.55; 41.56, subdivisions 1, 2, and 4; and 41.57, subdivision 4.

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

Page 1, after line 16, insert:

“Section 1. Minnesota Statutes 1989 Supplement, section 40.46, subdivision 2, is amended to read:

Subd. 2. [DELINEATION OF WETLAND OR MARGINAL LAND.] (a) Before state land is sold, the ~~land must be submitted to the board of water and soil resources to authority selling the land~~ must determine and delineate the marginal land and wetlands to be reserved or restricted by a conservation easement. The delineation of the reservation or conservation easement need not be by legal description and may be a description in general terms that identifies the marginal land or wetlands.

(b) Marginal land and wetlands may not be sold unless restricted by a conservation easement with the restrictions provided in section 40.43, subdivision 4, paragraphs (a) and (c), and other restrictions determined necessary by the board of water and soil resources.”

Page 1, lines 20 and 25, delete “administration” and insert “natural resources”

Page 3, line 36, reinstate the stricken language

Page 4, line 1, reinstate the stricken “ten-year renewal of the payment adjustment.”

Page 4, line 4, after the stricken comma, insert “The commissioner may renew the payment adjustment for an additional ten-year period after review, subject to appropriation by the legislature.”

Page 5, line 19, strike “MAY” and insert “MUST”

Page 6, line 13, strike “must be” and insert “is”

Page 6, line 15, delete “attorney general” and insert “commissioner of natural resources”

Page 6, line 16, delete everything after the period

Page 6, delete line 17 and insert “The commissioner of natural resources shall prepare and file the restrictive easement on all acquired properties owned by the state on or after June 5, 1987.”

Page 6, line 27, delete “administration” and insert “natural resources”

Pages 6 and 7, delete section 9

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "finance" and insert "agriculture" and after the semicolon, insert "amending provisions reserving marginal land and wetland;"

Page 1, line 6, delete "administration" and insert "natural resources"

Page 1, line 7, delete "reducing the"

Page 1, delete line 8

Page 1, line 11, delete "and"

Page 1, line 12, delete "41B.19, subdivision 1" and insert "Minnesota Statutes 1989 Supplement, section 40.46, subdivision 2"

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

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 2139: A bill for an act relating to health; providing for planning for a surveillance system for occupational diseases; appropriating money.

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

Page 1, line 14, after "176.129" insert a comma

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

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 2353: A bill for an act relating to vocational rehabilitation; providing for supported employment programs; amending Minnesota Statutes 1988, section 129A.01, subdivisions 11, 12, and by adding a subdivision.

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 2039: A bill for an act relating to motor vehicles; exempting water well driller vehicles from certain registration and taxation requirements when the vehicles are only incidentally moved over a highway; amending Minnesota Statutes 1989 Supplement, section 168.011, subdivision 22.

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

Page 1, line 15, reinstate the stricken language and delete the new language

Page 1, line 16, delete "well tank trucks," and delete the second comma

Page 1, line 17, delete everything before "under" and insert "equipment registered"

Page 1, line 18, delete the semicolon and insert a comma

Page 2, after line 1, insert:

"Sec. 2. Minnesota Statutes 1988, section 168.012, subdivision 5, is amended to read:

Subd. 5. Motor vehicles, which are used only for the purpose of carrying sawing machines⁷; well drilling machines, *pump hoists*, and *other equipment registered under chapter 1031*; barn sprayers or corn shellers permanently attached to them, shall not be subject to the registration tax as herein provided, but shall be listed for taxation as personal property as provided by law."

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to motor vehicles; exempting certain water well drilling equipment and vehicles from registration and taxation requirements; amending Minnesota Statutes 1988, section 168.012, subdivision 5; Minnesota Statutes 1989 Supplement, section 168.011, subdivision 22."

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 2146: A bill for an act relating to motor vehicles; establishing and regulating manufacturer's registration plates; amending Minnesota Statutes 1989 Supplement, section 168.27, subdivisions 1, 16, and 17.

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

Page 3, delete lines 4 and 5 and insert:

"(14) "Motor vehicle manufacturer" means an individual, firm, partnership, or corporation engaged in the business of manufacturing, assembling, or distributing motor vehicles, that will, under normal business conditions during the year, manufacture, assemble, or distribute to dealers at least ten new motor vehicles."

Page 4, line 15, delete "defined in subdivision 1, paragraph (14)" and after "on" insert "the"

Page 4, delete lines 22 to 24 and insert:

"(1) by a full-time employee of the motor vehicle manufacturer, or the employee's spouse, for either private or business purposes;"

Pages 4 and 5, delete section 3

Amend the title as follows:

Page 1, delete line 5 and insert "168.27, subdivisions 1 and 16."

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 1983: A bill for an act relating to liquor; authorizing the metropolitan airports commission to issue off-sale liquor licenses for the sale

of Minnesota wine; amending Minnesota Statutes 1988, section 340A.405, by adding a subdivision.

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2403: A bill for an act relating to commerce; removing a real estate licensing prohibition; amending Minnesota Statutes 1988, section 82.20, subdivision 4.

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

Mr. Hughes from the Committee on Elections and Ethics, to which was referred

S.F. No. 1920: A bill for an act relating to elections; making various changes in laws applicable to school district elections; amending Minnesota Statutes 1988, sections 201.071, subdivision 3; 203B.08, subdivision 3; 204B.08, subdivision 3; 204B.14, subdivision 5; 204B.17; 204B.44; 204C.22, subdivisions 9, 10, 15, and by adding a subdivision; 204D.04, subdivision 2; 205A.05, subdivision 1; 205A.07, by adding a subdivision; 205A.09, subdivision 2; 205A.11; 209.02, subdivision 1; 209.03; 209.09, subdivision 1; and 211A.01, subdivision 6; and Minnesota Statutes 1989 Supplement, sections 205A.10, subdivisions 2 and 3; and 209.021, subdivision 1.

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

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

S.F. No. 1744: A bill for an act relating to capital improvements; providing funds for wetlands acquisition in the city of Savage; authorizing sale of state bonds; appropriating money.

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

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

S.F. No. 2079: A bill for an act relating to state parks; renaming Helmer Myre and Nerstrand Woods state parks; amending Minnesota Statutes 1988, section 85.012, subdivisions 27 and 45.

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2011: A bill for an act relating to health; clarifying variance authority regarding training standards for ambulance attendants; establishing a state emergency medical services advisory council; amending Minnesota Statutes 1989 Supplement, section 144.804, subdivision 1; and

proposing coding for new law in Minnesota Statutes, chapter 144.

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2349: A bill for an act relating to insurance; no-fault automobile; regulating uninsured and underinsured motorist coverages for motorcycles; amending Minnesota Statutes 1989 Supplement, section 65B.49, subdivision 3a.

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

Page 2, line 27, after "is" insert "*occupying a motorcycle of which the injured person is*"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 2074: A bill for an act relating to traffic regulations; requiring brakes on certain vehicles weighing 3,000 pounds or more; amending Minnesota Statutes 1988, section 169.67, subdivision 3; Minnesota Statutes 1989 Supplement, section 169.67, subdivision 4.

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

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 168.011, subdivision 8, is amended to read:

Subd. 8. [MANUFACTURED HOME; PARK TRAILER; TRAVEL TRAILER.] (a) "Manufactured home" has the meaning given it in section 327.31, subdivision 6.

(b) "Park trailer" means a trailer that:

(1) exceeds eight feet in width but is no larger than 400 square feet when the collapsible components are fully extended or at maximum horizontal width; and

(2) is used as temporary living quarters.

"Park trailer" does not include a manufactured home.

(c) "Travel trailer" means a trailer, mounted on wheels, that:

(1) is designed to provide temporary living quarters during recreation, camping, or travel;

(2) does not require a special highway movement permit based on its size or weight when towed by a motor vehicle;

~~(3) has a gross trailer area of less than 320 square feet; and~~

~~(4) does not exceed eight feet in width.~~

(d) "Gross trailer area" is the total plan area of a travel trailer measured to the maximum horizontal projection of exterior walls when in the set-up mode, but not including the area of that portion of the body of a fifth wheel trailer that is raised to extend over the towing vehicle and has a ceiling height of less than five feet

(3) *complies with sections 169.80, subdivision 2, and 169.81, subdivision 2.*"

Page 1, line 11, strike "of" and insert "with"

Page 1, line 12, strike "of" and before "3,000" insert "that is" and after "more" insert "or exceeds the empty weight of the towing vehicle"

Page 2, line 26, after the second "any" insert "trailer or"

Page 3, after line 4, insert:

"Sec. 4. [BACK-UP SAFETY DEVICE STUDY.]

The commissioner of public safety, in consultation with affected trucking organizations and other interested parties, shall study the feasibility of requiring the installation on trucks of devices that would increase the level of safety when a truck is backing up, including, but not limited to, convex mirrors and audible signals. The commissioner shall report to the chairs of the transportation committees of the senate and house of representatives on the results of the study by January 15, 1991."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "changing allowed dimensions of travel trailers;"

Page 1, line 3, after the semicolon, insert "requiring a study and report;"

Page 1, line 6, delete "section" and insert "sections 168.011, subdivision 8; and"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 772: A bill for an act relating to traffic regulations; providing that signs for handicapped parking spaces state penalty imposed for unlawful use; amending Minnesota Statutes 1988, section 169.346, subdivision 2.

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

Page 1, lines 12 to 14, delete the new language

Page 1, line 14, strike "and"

Page 1, line 16, before the period, insert ", and indicating that violators are subject to a fine of up to \$200"

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2264: A bill for an act relating to insurance; no-fault auto; exempting certain antique automobiles and recreational vehicles from rental vehicle coverage; amending Minnesota Statutes 1989 Supplement, section 65A.49, subdivision 5a.

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

Page 1, lines 20 and 21, delete "*antique automobiles*" and insert "*motor vehicles registered under section 168.10, subdivision 1a, 1b, 1c, or 1d,*"

Amend the title as follows:

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

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 2060: A bill for an act relating to drivers' licenses; defining gross vehicle weight and commercial motor vehicle; requiring driver of smaller school bus to have a commercial driver's license with a school bus endorsement; providing for operation of vehicles by holder of class C driver's license; providing for effective date of requirement for commercial driver's license; setting fees; appropriating money; amending Minnesota Statutes 1988, sections 169.01, subdivision 46; 171.01, subdivision 16; and 171.321, subdivision 1; Minnesota Statutes 1989 Supplement, sections 169.01, subdivision 75; 171.01, subdivision 22; 171.02, subdivision 2; and 171.06, subdivision 2; Laws 1989, chapter 307, sections 43 and 44.

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

Page 3, line 33, strike the comma

Page 3, line 35, strike "but not including" and insert "*except*"

Page 4, line 1, strike "nor" and insert "*and*"

Page 4, line 4, strike "GVW" and before the period, insert "*gross vehicle weight*"

Page 5, line 25, delete everything after "*(a)*"

Page 5, line 26, delete the paragraph coding and delete "*(b)*" and delete "*certain individual drivers*" and insert "*an individual driver*"

Page 6, line 28, delete "*(c)*" and insert "*(b)*" and delete "*certain individual drivers*" and insert "*an individual driver*"

Page 6, line 36, delete "*(d)*" and insert "*(c)*" and delete "*any other*" and insert "*an*"

Page 7, line 1, before "*on*" insert "*not described in paragraph (a) or (b)*"

Page 7, line 2, delete "*(e)*" and insert "*(d)*"

Page 7, line 3, delete "*on and*" and delete "*April 1*" and insert "*March 31*"

Page 7, delete lines 5 to 7 and insert:

"Subdivision 1. The commissioner of public safety shall issue a commercial driver's license to a driver listed in section 9, subdivision 3, paragraph (a), who otherwise qualifies for the license and pays to the"

Page 7, line 8, delete "*of public safety*"

Page 7, lines 11 and 12, delete "*in lieu*" and insert "*instead*"

Page 7, line 13, delete "*This initial*" and insert "A" and after "*license*" insert "*issued under this subdivision*"

Page 7, line 14, delete "*that*"

Page 7, line 17, delete "*these*"

Page 7, delete lines 19 and 20 and insert:

"Subd. 2. The commissioner of public safety shall issue a commercial driver's license to a driver listed in section 9, subdivision 3, paragraph (b), who qualifies for the license and pays the renewal"

Page 7, lines 21 and 22, delete "*However, this initial commercial driver's*" and insert "*The*"

Page 7, line 22, delete "*that*"

Amend the title as follows:

Page 1, line 3, delete everything after the semicolon and insert "allowing holder of class CC driver's license with school bus endorsement to operate a small school bus;"

Page 1, delete lines 4 to 7 and insert "changing effective dates of requirements"

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2261: A bill for an act relating to consumer protection; regulating automatic garage door systems in residential buildings; providing standards; prescribing a penalty; amending Minnesota Statutes 1989 Supplement, section 16B.61, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 325F

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

Page 3, line 21, delete "325F90" and insert "325F82"

Page 3, line 28, delete everything after the first comma

Page 3, line 29, delete "*kept*" and insert "*designed or used for the storage, repair, or keeping of a motor vehicle*"

Page 3, line 34, delete "325F91" and insert "325F83"

Page 4, line 6, delete "*rented,*" and delete "*or rent*"

Page 4, line 12, delete "*UL*" and insert "*ANSI/UL*" and after the period, insert "*, in effect on January 1, 1991.*"

Page 4, line 13, after the second comma, insert "*in addition to clause*

(a).”

Page 4, line 14, delete “*be designed*” and insert “*include an attached edge sensor, safety beam, or similar device that when activated causes a closing door to open and prevents an open door from closing. This device is to be designed and built so that a failure of the device prevents the door from closing.*”

Page 4, delete lines 15 and 16

Page 4, lines 23 and 24, delete “*has a duty to*” and insert “*must*”

Page 4, after line 26, insert:

“*Subd. 6. [REMEDIES AND PENALTIES.] A person who is found to have violated this section is subject to the penalties and remedies, including a private right of action, as provided in section 8.31.*”

Renumber the subdivisions in sequence

Amend the title as follows:

Page 1, line 4, delete “*prescribing a penalty*” and insert “*providing penalties and remedies*”

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

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

H.F. No. 2143 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2143	2043				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2143 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2143 and insert the language after the enacting clause of S.F. No. 2043, the first engrossment; further, delete the title of H.F. No. 2143 and insert the title of S.F. No. 2043, the first engrossment.

And when so amended H.F. No. 2143 will be identical to S.F. No. 2043, and further recommends that H.F. No. 2143 be given its second reading and substituted for S.F. No. 2043, and that the Senate File be indefinitely postponed.

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

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

S.F. No. 2144: A bill for an act relating to state lands; requiring condemnation and sale of certain trust lands constituting lakeshore lots; authorizing a bond issue to establish a revolving fund to finance acquisitions; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 92; repealing Minnesota Statutes 1988, section 92.67.

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

Page 1, line 19, after "all" insert "platted"

Page 1, line 20, delete "constitute" and insert "contain"

Page 2, line 9, before the period, insert "*and, in addition, costs associated with the sale such as court costs, legal services, and costs of appraisal, but in an amount not to exceed \$1,000. As to any platted lakeshore lots leased under section 92.46 that are not located on trust fund land, the commissioner of natural resources shall offer the lots for sale to the lessee thereof at a price which represents the appraised value, as determined by the commissioner, plus five percent and, in addition, costs associated with the sale such as legal services and costs of appraisal, but in an amount not to exceed \$1,000*"

Page 3, line 16, before the period, insert "*plus the five percent additional charge per lot required by section 1, subdivision 2, together with costs of condemnation such as court costs, legal services, and costs of appraisal*"

Page 3, line 17, before "lakeshore" insert "trust fund land"

Page 3, line 18, after the period, insert "*Proceeds of all sales of non-trust fund land lakeshore lots under section 1 shall be deposited in the account where money from the sale of the particular class of land is required to be deposited.*"

Page 3, after line 20, insert:

"Sec. 4. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "requiring the sale of certain non-trust lands constituting lakeshore lots;"

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

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

S.F. No. 2289: A bill for an act relating to government operations; amending provisions to adopt emergency game and fish rules; providing alternative methods of publishing game and fish rules; deleting obsolete references to publication under the game and fish laws; authorizing the commissioner to protect wild animals by emergency rule; authorizing the commissioner to set seasons and limits for migratory birds and waterfowl; authorizing the commissioner to allow or prohibit hunting and fishing on certain state lands; amending Minnesota Statutes 1988, sections 14.29, subdivision 3,

and by adding a subdivision; 14.38, subdivision 6; 84.944, subdivision 1; 84A.02; 86A.06; 97A.045, subdivision 2; 97A.051, subdivisions 1 and 2; 97A.081; 97A.141, by adding a subdivision; 97B.731, subdivision 1; 97C.805, subdivision 1; and 361.25; Minnesota Statutes 1989 Supplement, sections 3.846, subdivisions 1 and 4; 14.02, subdivision 4; and 97A.051, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 97A and 97B.

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

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

S.F. No. 1704: A bill for an act relating to natural resources; authorizing conservation officers to seek issuance of and to serve search warrants; amending Minnesota Statutes 1989 Supplement, sections 626.05, subdivision 2; and 626.13.

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

Page 1, lines 11 and 23, delete "state"

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F. No. 1953: A bill for an act relating to state government; regulating certain employment practices; permitting the transfer of vacation and sick leave for certain gubernatorial appointees; permitting employees on permanent layoff to test into new state positions; authorizing the donation of the value accrued vacation leave to other state employees under certain circumstances; making technical changes in the public employees insurance program; eliminating the authority of the board of medical examiners and the board of dentistry to set the salaries of their executive directors; eliminating obsolete language; appropriating money; amending Minnesota Statutes 1988, sections 15A.081, by adding a subdivision; 43A.13, subdivisions 2 and 3; and 43A.316, subdivisions 2, 3, 5, 7, and 8; amending Minnesota Statutes 1989 Supplement, sections 43A.316, subdivisions 9 and 10; and 214.04, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 43A.

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

Page 1, after line 21, insert:

"Section 1. Minnesota Statutes 1988, section 15A.081, subdivision 7b, is amended to read:

Subd. 7b. [HIGHER EDUCATION OFFICERS.] The state university board, the state board for community colleges, the state board of vocational technical education, and the higher education coordinating board shall set the salary rates for, respectively, the chancellor of the state universities, the

chancellor of the community colleges, the state director of vocational technical education, and the executive director of the higher education coordinating board. The respective board shall submit the proposed salary increase to the legislative commission on employee relations for approval, modification, or rejection in the manner provided in section 43A.18, subdivision 2. Salary rates for the positions specified in this subdivision may not exceed 95 percent of the salary of the governor under section 15A.082, subdivision 3. *In deciding whether to recommend a salary increase, the governing board shall consider the performance of the chancellor or director, including the chancellor's or director's progress toward attaining affirmative action goals.*"

Page 2, after line 13, insert:

"Sec. 3. Minnesota Statutes 1988, section 15A.083, subdivision 5, is amended to read:

Subd. 5. [TAX COURT.] Salaries of judges of the tax court ~~shall be~~ *are* the same as the base salary for district judges as ~~provided in set under section 15A.082, subdivision 3.~~

Sec. 4. Minnesota Statutes 1988, section 15A.083, is amended by adding a subdivision to read:

Subd. 6a. [ADMINISTRATIVE LAW JUDGE; MAXIMUM SALARY.] The maximum salary of an administrative law judge in the classified service employed by the office of administrative hearings is 90 percent of the salary of district court judges as set under section 15A.082, subdivision 3.

Sec. 5. Minnesota Statutes 1988, section 15A.083, subdivision 7, is amended to read:

Subd. 7. [WORKERS' COMPENSATION COURT OF APPEALS AND COMPENSATION JUDGES.] Salaries of judges of the workers' compensation court of appeals ~~shall be 90 percent of~~ *are the same as* the salary for district judges as ~~provided in set under section 15A.082, subdivision 3.~~ Salaries of compensation judges ~~shall be~~ *are* 75 percent of the salary of district court judges as ~~provided in subdivision 4.~~ The chief workers' compensation settlement judge at the department of labor and industry may be paid an annual salary that is up to five percent greater than the salary of workers' compensation settlement judges at the department of labor and industry.

Sec. 6. Minnesota Statutes 1988, section 43A.04, subdivision 1, is amended to read:

Subdivision 1. [STATEWIDE LEADERSHIP] (a) The commissioner ~~shall be~~ *is* the chief personnel and labor relations manager of the civil service in the executive branch.

(a) Whenever any power or responsibility is given to the commissioner by any provision of Laws 1981, chapter 210, unless otherwise expressly provided, the power or authority ~~shall apply~~ *applies* to all employees of agencies in the executive branch and to employees in classified positions in the office of the legislative auditor, the Minnesota state retirement system, the public employees retirement association, and the teacher's retirement association. Unless otherwise provided by law, the power or authority ~~shall does~~ not apply to unclassified employees in the legislative and judicial branches.

(b) The commissioner shall operate an information system from which personnel data, as defined in section 13.43, concerning employees and applicants for positions in the classified service can be retrieved.

The commissioner ~~shall have~~ *has* access to all public and private personnel data kept by appointing authorities ~~which that~~ will aid in the discharge of the commissioner's duties.

(c) The commissioner may consider and investigate any matters concerned with the administration of provisions of Laws 1981, chapter 210, and may order any remedial actions consistent with law.

(d) The commissioner has sole authority to settle state employee workers' compensation claims.

(e) The commissioner may assess all state entities for the costs of programs under sections 15.46 and 176.603.

Sec. 7. Minnesota Statutes 1988, section 43A.04, subdivision 3, is amended to read:

Subd. 3. [RULES.] The commissioner shall ~~promulgate~~ *adopt* rules ~~pursuant to~~ *under* the administrative procedure act to implement the provisions of this chapter ~~which that~~ directly affect the rights of or processes available to the general public. The rules ~~shall~~ have the force and effect of law and ~~shall~~ may include but are not limited to:

~~(a)~~ (1) the processes for determining the extent of competition for filling vacancies, for recruiting applicants, for conducting competitive open examinations, for ranking candidates and maintaining competitive open eligible lists, and for certification and appointment of eligibles from competitive open eligible lists;

~~(b)~~ (2) the process for effecting noncompetitive and qualifying appointments;

~~(c)~~ (3) the process for temporary designation of positions in the unclassified service and for effecting appointments to the unclassified service;

~~(d)~~ (4) a statewide affirmative action program to include requirements for agency affirmative action plans, statewide policies and procedures, reporting requirements, accountability and responsibility of employees in the executive branch, and overall objectives of the program;

~~(e)~~ (5) conditions under which moving and other expenses may be authorized and paid prior to appointment to persons who have accepted state employment;

~~(f)~~ (6) procedures for administration of the code of ethics for employees of the executive branch; ~~and~~

~~(g)~~ (7) examination procedures for candidates with ~~handicaps~~ *disabilities* as described in section 43A.10, subdivision 8-; ~~and~~

(8) procedures or policies that affect the operation of or participation in the public employees insurance program.

Sec. 8. Minnesota Statutes 1988, section 43A.04, is amended by adding a subdivision to read:

Subd. 9. [EXPERIMENTAL OR RESEARCH PROJECTS.] *The commissioner of employee relations may conduct experimental or research*

projects designed to improve recruitment, selection, referral, or appointment processes for the filling of state classified positions.

The commissioner shall meet and confer with the affected exclusive bargaining representative of state employees concerning the design and implementation of experimental and research projects under this subdivision.

Any provision in sections 43A.09 to 43A.15, associated personnel rules adopted under subdivision 3, or administrative procedures established under subdivision 4, is waived for the purposes of these projects. The number of appointments under this subdivision may not exceed five percent of the total number of appointments in the preceding fiscal year.

The commissioner shall report by September 1 to the legislative commission on employee relations the results of the experimental research projects conducted in the preceding fiscal year.

Sec. 9. Minnesota Statutes 1988, section 43A.10, subdivision 7, is amended to read:

Subd. 7. [EXAMINATION ACCOMMODATIONS.] Upon request, the commissioner shall provide examination accommodations to a candidate with a ~~handicap~~ disability that does not prevent performance of the duties of the class. The accommodations ~~shall~~ must provide an opportunity to fairly examine the ability of the candidate to perform the duties of the class notwithstanding the ~~handicap~~ disability but ~~shall~~ must preserve, to the extent feasible, the validity of the examination process and equitable comparison of examination scores with competitors without ~~handicaps~~ disabilities.

Sec. 10. Minnesota Statutes 1988, section 43A.10, subdivision 8, is amended to read:

Subd. 8. [ELIGIBILITY FOR QUALIFIED ~~HANDICAPPED DISABLED~~ EXAMINATIONS.] The commissioner shall establish examination procedures for candidates whose ~~handicaps~~ disabilities are of such a severe nature that the candidates are unable to demonstrate their abilities in competitive examination processes. The examination procedures ~~shall~~ must consist of up to 700 hours on-the-job trial work experience which will be in lieu of a competitive examination and for which the disabled person has the option of being paid or unpaid. Up to three persons with severe disabilities and their job coach ~~shall~~ may be allowed to demonstrate their job competence as a unit through the on-the-job trial work experience examination procedure. This work experience ~~shall~~ must be limited to candidates for appointment, promotion, or transfer who have a physical or mental impairment for which there is no reasonable accommodation in the examination process. Implementation of provisions of this subdivision ~~shall~~ may not be deemed a violation of other provisions of Laws 1981, chapter 210 or 363.

Sec. 11. Minnesota Statutes 1988, section 43A.12, subdivision 5, is amended to read:

Subd. 5. [QUALIFIED ~~HANDICAPPED DISABLED~~ LISTS.] On qualified ~~handicapped~~ disabled lists eligibles ~~shall~~ must be ranked in alphabetical order."

Page 3, after line 1, insert:

"Sec. 14. Minnesota Statutes 1988, section 43A.13, subdivision 4, is amended to read:

Subd. 4. [COMPETITIVE OPEN.] (a) For positions to be filled by competitive open examination, the commissioner shall certify the first 20 eligibles on the list plus those eligibles having the same score as the 20th eligible certified.

(b) *When the position to be filled by competitive open examination is in a class for which the initially established eligible list contained the names of more than 200 eligibles and that list has existed for more than 12 months and been referred to more than ten vacancies, the commissioner shall certify the first 40 eligibles on the list plus those eligibles having the same score as the 40th eligible certified.*

Sec. 15. Minnesota Statutes 1988, section 43A.13, subdivision 5, is amended to read:

Subd. 5. [COMPETITIVE PROMOTIONAL.] For positions to be filled by competitive promotional examination *limited to employees of one or more agencies or organizational units*, the commissioner shall certify the first ten eligibles on the list plus those eligibles having the same score as the tenth eligible certified. *For positions to be filled by competitive promotional examination extended to all employees of the civil service, the commissioner shall certify the first 20 eligibles on the list, plus those eligibles having the same score as the 20th eligible certified.*

Sec. 16. Minnesota Statutes 1988, section 43A.13, subdivision 6, is amended to read:

Subd. 6. [QUALIFIED ~~HANDICAPPED~~ ~~DISABLED~~.] For a position to be filled by qualified ~~handicapped~~ ~~disabled~~ examination, the commissioner shall certify only the one eligible who has successfully completed the examination processes provided in section 43A.10, subdivision 8 for the position.

Sec. 17. Minnesota Statutes 1988, section 43A.13, subdivision 7, is amended to read:

Subd. 7. [EXPANDED CERTIFICATION.] When the commissioner determines that a disparity as defined in rules exists between an agency's work force and its affirmative action plan approved in accordance with section 43A.19, the commissioner shall ensure to the extent possible that eligibles who are members of the protected groups for which the disparity exists are certified for appointment. When fewer than two eligibles of each protected group for which a disparity has been determined to exist would be certified under subdivisions 4 and 5, the commissioner shall certify two eligibles from each protected group for which a disparity exists *or four from each group for which a disparity exists if the number of names referred has been increased under subdivision 4, paragraph (b).* Implementation of this subdivision ~~shall~~ may not be deemed a violation of other provisions of Laws 1981, chapter 210 or 363.

Sec. 18. Minnesota Statutes 1988, section 43A.15, subdivision 10, is amended to read:

Subd. 10. [ROUTINE SERVICE AND ENTRY CLERICAL APPOINTMENTS.] The commissioner may authorize the administration of a qualifying selection process if a class is of a routine, service nature involving unskilled tasks, the performance of which cannot be directly related to qualifications beyond a minimum competency level. ~~Appointing authorities~~

~~may consider any candidate found so qualified for probationary appointment to such a position. The commissioner may also authorize the administration of qualifying skill tests for entry level clerical positions as an alternative to certification from an eligible list as provided in section 43A.13.~~

Sec. 19. Minnesota Statutes 1988, section 43A.17, subdivision 1, is amended to read:

Subdivision 1. [SALARY LIMITS.] As used in subdivisions 1 to & 9, "salary" means hourly, monthly, or annual rate of pay including any lump-sum payments and cost-of-living adjustment increases but excluding payments due to overtime worked, shift or equipment differentials, work out of class as required by collective bargaining agreements or plans established under section 43A.18, and back pay on reallocation or other payments related to the hours or conditions under which work is performed rather than to the salary range or rate to which a class is assigned.

The salary, as established in section 15A.081, of the head of a state agency in the executive branch is the upper limit of compensation in the agency. The salary of the commissioner of labor and industry is the upper limit of compensation of employees in the bureau of mediation services. However, if an agency head is assigned a salary that is lower than the current salary of another agency employee, the employee retains the salary, but may not receive an increase in salary as long as the salary is above that of the agency head. The commissioner may grant exemptions from these upper limits as provided in subdivisions 3 and 4.

Sec. 20. Minnesota Statutes 1988, section 43A.18, subdivision 4, is amended to read:

Subd. 4. [PLANS NOT ESTABLISHED BUT APPROVED BY COMMISSIONER.] Notwithstanding any other law to the contrary, total compensation for employees listed in this subdivision ~~shall~~ *must* be set by appointing authorities within the limits of compensation plans that have been approved by the commissioner before becoming effective. *Compensation plans established under paragraphs (b), (c), and (d) must be approved by the legislature and the legislative commission on employee relations under subdivision 2 before becoming effective.*

(a) Total compensation for employees who are not covered by a collective bargaining agreement in the offices of the governor, lieutenant governor, attorney general, secretary of state, state auditor, and state treasurer ~~shall~~ *must* be determined by the governor, lieutenant governor, attorney general, secretary of state, state auditor and state treasurer, respectively.

(b) Total compensation for unclassified positions pursuant to section 43A.08, subdivision 1, clause ~~(h)~~ *(i)*, ~~in the higher education coordinating board, and in the state board of vocational technical education shall~~ *in the state universities and the community colleges not covered by a collective bargaining agreement must be determined by the state university board and the state board for community colleges, the higher education coordinating board, and the state board of vocational technical education, respectively.*

(c) Total compensation for classified administrative law judges in the office of administrative hearings ~~shall~~ *must* be determined by the chief administrative law judge.

(d) Total compensation for unclassified positions not covered by a collective bargaining agreement in the higher education coordinating board and in the state board of vocational technical education must be determined by the higher education coordinating board and the state board of vocational technical education, respectively.

(e) Total compensation for employees of the state agricultural society, the world trade center corporation, the greater Minnesota corporation, and the Minnesota state high school league must be set by the state agricultural society, the world trade center corporation board of directors, the greater Minnesota corporation board of directors, and the governing board of the Minnesota state high school league, respectively.

Sec. 21. Minnesota Statutes 1988, section 43A.18, subdivision 5, is amended to read:

Subd. 5. [GOVERNOR TO RECOMMEND CERTAIN SALARIES.] (a) The governor shall, by July 1 of each odd-numbered year, submit to the legislative commission on employee relations recommendations for salaries within the salary range for the positions listed in section 15A.081, subdivisions 1 and 7. The governor may also propose additions or deletions of positions from those listed.

(b) In making recommendations, the governor shall consider ~~only~~ the criteria established in subdivision 8 and ~~may not take into account~~ the performance of individual incumbents. *The performance evaluation must include a review of an incumbent's progress toward attainment of affirmative action goals.* The governor shall establish an objective system for quantifying knowledge, abilities, duties, responsibilities, and accountabilities and in determining recommendations rate each position by this system.

~~(b)~~ (c) In making recommendations, the governor shall consider ~~only~~ the criteria established in subdivision 8 and ~~may not shall~~ take into account performance of individual incumbents. The governor shall establish an objective system for quantifying knowledge, abilities, duties, responsibilities, and accountabilities and in determining recommendations rate each position by this system.

~~(c)~~ (d) Before the governor's recommended salaries take effect, the recommendations must be reviewed and approved, rejected, or modified by the legislative commission on employee relations and the legislature in the same manner as provided for the commissioner's plan in subdivision 2. The governor may also at any time propose changes in the salary rate of any positions covered by this subdivision, which must be submitted and approved in the same manner as provided in this subdivision.

~~(d)~~ (e) The governor shall set the initial salary of a head of a new agency or a chair of a new metropolitan board or commission whose salary is not specifically prescribed by law after consultation with the commissioner, whose recommendation is advisory only. The amount of the new salary must be comparable to the salary of an agency head or commission chair having similar duties and responsibilities.

~~(e)~~ (f) The salary of a newly appointed head of an agency or chair of a metropolitan agency listed in section 15A.081, subdivision 1 or 7, may be increased or decreased by the governor from the salary previously set for that position within 30 days of the new appointment after consultation with the commissioner. If the governor increases a salary under this paragraph, the governor shall submit the new salary to the legislative commission on

employee relations and the full legislature for approval, modification, or rejection in the manner provided in section 43A.18, subdivision 2. If the legislature rejects an increased salary or adjourns without action during the following legislative session, the salary for the position reverts to the level in effect before the governor proposed the change."

Page 3, after line 34, insert:

"Sec. 23. Minnesota Statutes 1988, section 43A.191, subdivision 2, is amended to read:

Subd. 2. [AGENCY AFFIRMATIVE ACTION PLANS.] (a) The head of each agency in the executive branch shall prepare and implement an agency affirmative action plan consistent with this section and rules issued under section 43A.04, subdivision 3.

(b) The agency plan must include a plan for the provision of reasonable accommodation in the hiring and promotion of qualified ~~handicapped disabled~~ persons. The reasonable accommodation plan ~~shall~~ must consist of at least the following:

(1) procedures for compliance with section 363.03 and, where appropriate, regulations implementing United States Code, title 29, section 794, as amended through December 31, 1984, which is section 504 of the Rehabilitation Act of 1973, as amended;

(2) methods and procedures for providing reasonable accommodation for ~~handicapped disabled~~ job applicants, current employees, and employees seeking promotion; and

(3) provisions for funding reasonable accommodations.

(c) The agency plan must be prepared by the agency head with the assistance of the agency affirmative action officer and the director of equal employment opportunity. The council on disability shall provide assistance with the agency reasonable accommodation plan.

(d) An agency affirmative action plan may not be implemented without the commissioner's approval.

Sec. 24. Minnesota Statutes 1988, section 43A.191, subdivision 3, is amended to read:

Subd. 3. [SANCTIONS AND INCENTIVES.] (a) The director of equal employment opportunity shall annually audit the record of each agency to determine the rate of compliance with annual hiring goals of each goal unit and to evaluate the agency's overall progress toward its affirmative action goals and objectives.

(b) By March 1 of each year, the commissioner shall submit a report on affirmative action progress of each agency and the state as a whole to the governor and to the finance committee of the senate, the appropriations committee of the house of representatives, the governmental operations committees of both houses of the legislature, and the legislative commission on employee relations. The report must include noncompetitive appointments made under section 43A.08, subdivision 2a, or 43A.15, *subdivisions 3 to 13*, and cover each agency's rate of compliance with annual hiring goals. In addition, any agency that has not met its affirmative action hiring goals, that fails to make an affirmative action hire, or fails to justify its nonaffirmative action hire in 25 percent or more of the appointments made in the previous calendar year must be designated in the report as an agency

not in compliance with affirmative action requirements.

(c) The commissioner shall study methods to improve the performance of agencies not in compliance with affirmative action requirements.

(d) The commissioner shall establish a program to recognize agencies that have made significant and measurable progress toward achieving affirmative action objectives.

Sec. 25. Minnesota Statutes 1988, section 43A.23, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] The commissioner is authorized to request bids from carriers or to negotiate with carriers and to enter into contracts with carriers which in the judgment of the commissioner are best qualified to underwrite and service the benefit plans. *Contracts entered into with carriers are not subject to the requirements of sections 16B.189 to 16B.22.* The commissioner may negotiate premium rates and coverage provisions with all carriers licensed under chapters 62A, 62C, and 62D. The commissioner may also negotiate reasonable restrictions to be applied to all carriers under chapters 62A, 62C, and 62D. Contracts to underwrite the benefit plans must be bid or negotiated separately from contracts to service the benefit plans, which may be awarded only on the basis of competitive bids. The commissioner shall consider the cost of the plans, conversion options relating to the contracts, service capabilities, character, financial position, and reputation of the carriers and any other factors which the commissioner deems appropriate. Each benefit contract must be for a uniform term of at least one year, but may be made automatically renewable from term to term in the absence of notice of termination by either party. The commissioner shall, to the extent feasible, make hospital and medical benefits available from at least one carrier licensed to do business pursuant to each of chapters 62A, 62C and 62D. The commissioner need not provide health maintenance organization services to an employee who resides in an area which is not served by a licensed health maintenance organization. The commissioner may refuse to allow a health maintenance organization to continue as a carrier. The commissioner may elect not to offer all three types of carriers if there are no bids or no acceptable bids by that type of carrier or if the offering of additional carriers would result in substantial additional administrative costs. A carrier licensed under chapter 62A is exempt from the tax imposed by section 60A.15 on premiums paid to it by the state.

Sec. 26. Minnesota Statutes 1988, section 43A.27, subdivision 4, is amended to read:

Subd. 4. [RETIRED JUDGES; FORMER LEGISLATORS.] A (a) Retired judge judges or a former legislator legislators may elect to purchase coverage for themselves or their dependents at their own expense as provided below: in paragraphs (b) and (c).

(a) (b) A retired judge of the state supreme court, the court of appeals, a district court, a county court, a county municipal court, or a probate court may elect to purchase coverage provided persons listed in section 43A.24, subdivision 2, clause (c); provided that the retired judge exercises this option within 30 days of the effective date of retirement; or. The commissioner shall notify judges no later than the effective date of their retirement of their right to exercise the option provided in this subdivision. A retired judge must notify the commissioner or designee of the commissioner within

30 days after the effective date of retirement if the judge intends to exercise the option.

(b) (c) A former member of the legislature may elect to purchase coverage provided persons listed in section 43A.24, subdivision 2, clause (a)."

Page 9, after line 5, insert:

"Sec. 34. Minnesota Statutes 1988, section 43A.37, subdivision 1, is amended to read:

Subdivision 1. [CERTIFICATION.] Neither the commissioner of finance nor any other fiscal officer of this state ~~shall~~ may draw, sign, or issue, or authorize the drawing, signing, or issuing of any warrant on the treasurer or other disbursing officer of the state, nor ~~shall~~ may the treasurer or other disbursing officer of the state pay any salary or compensation to any person in the civil service, unless a payroll register for the salary or compensation containing the name of every person to be paid ~~shall bear~~ bears the certificate of the commissioner that the persons named in the payroll register have been appointed, as required by law, rules, or administrative procedures and that the salary or compensation is within the compensation plan fixed ~~pursuant to~~ by law. The appointing authority shall certify that all employees named in the payroll register are performing service as required by law. This provision ~~shall does~~ not apply to positions defined in section 43A.08, subdivision 1, clauses ~~(g)~~, (h), (i), (j), and ~~(k)~~ (l). Employees to whom this subdivision does not apply may be paid on the state's payroll system, and the appointing authority or fiscal officer submitting their payroll register ~~shall be~~ is responsible for the accuracy and legality of the payments.

Salary or compensation claims presented against existing appropriations, which have been deemed in violation of the provisions of this subdivision, may be certified for payment if, upon investigation, the commissioner determines the personal services for which payment is claimed actually have been rendered in good faith without collusion and without intent to defraud.

Sec. 35. Minnesota Statutes 1988, section 176.421, is amended by adding a subdivision to read:

Subd. 6a. [TIME LIMIT FOR DECISION.] The court shall issue a decision in each case within 90 days after certification of the record to the court by the chief administrative law judge, the filing of a cross-appeal, oral argument, or a final submission of briefs or memoranda by the parties, whichever is latest. No part of the salary of a workers' compensation court of appeals judge may be paid unless the judge, upon accepting the payment, certifies that decisions in cases in which the judge has participated have been issued within the time limits prescribed by this subdivision.

Sec. 36. Minnesota Statutes 1988, section 176B.02, is amended to read:

176B.02 [PEACE OFFICERS BENEFIT FUND.]

~~There is hereby created in~~ *The police officers benefit fund is an account in the state treasury an account to be known as peace officers benefit fund. Funds in the peace officers benefit fund shall consist consisting of money appropriated to that fund. The administrator of the fund is the commissioner of employee relations public safety, who shall follow the procedures specified in section 176.541, subdivisions 2, 3, and 4."*

Page 10, after line 24, insert:

"Sec. 38. Minnesota Statutes 1988, section 487.13, is amended to read:
487.13 [BUDGET.]

The county board by resolution shall provide the budget for (1) the salaries of deputies, clerks and other employees in the office of the court administrator of county court; (2) other expenses necessary in the performance of the duties of said office and (3) the payment of premiums of any bonds required of the court administrator of county court or any deputy, clerk or employee in said office and the board is authorized to appropriate funds therefor and for the salary of the court administrator of county court. ~~Appeal from this resolution of the county board may be made in the manner prescribed in section 485.018, subdivision 7.~~

Sec. 39. [RATIFICATIONS.]

Subdivision 1. [COUNCIL 6.] The labor agreement between the state of Minnesota and the American Federation of State, County and Municipal Employees, Council 6, approved by the legislative commission on employee relations on July 26, 1989, is ratified.

Subd. 2. [PROFESSIONAL EMPLOYEES.] The labor agreement between the state of Minnesota and the Minnesota Association of Professional Employees, approved by the legislative commission on employee relations on September 6, 1989, is ratified.

Subd. 3. [SPECIAL TEACHERS.] The labor agreement between the state of Minnesota and the State Residential Schools Education Association, approved by the legislative commission on employee relations on September 6, 1989, is ratified.

Subd. 4. [LAW ENFORCEMENT.] The labor agreement between the state of Minnesota and the Bureau of Criminal Apprehension Agents' Association, Minnesota Conservation Officers' Association, and the Minnesota State Patrol Officers' Association, approved by the legislative commission on employee relations on September 6, 1989, is ratified.

Subd. 5. [MIDDLE MANAGERS.] The labor agreement between the state of Minnesota and the Middle Management Association, approved by the legislative commission on employee relations on September 6, 1989, is ratified.

Subd. 6. [ENGINEERS.] The labor agreement between the state of Minnesota and the Minnesota Government Engineers Council, approved by the legislative commission on employee relations on September 6, 1989, is ratified.

Subd. 7. [COMMUNITY COLLEGE FACULTY.] The labor agreement between the state of Minnesota and the Minnesota Community College Faculty Association, approved by the legislative commission on employee relations on November 7, 1989, is ratified.

Subd. 8. [NURSES.] The labor agreement between the state of Minnesota and the Minnesota Nurses Association, approved by the legislative commission on employee relations on December 18, 1989, is ratified.

Subd. 9. [STATE UNIVERSITY FACULTY.] The labor agreement between the state of Minnesota and the State University Inter-Faculty Organization, approved by the legislative commission on employee relations on December 18, 1989, is ratified.

Subd. 10. [STATE UNIVERSITY ADMINISTRATORS.] The labor agreement between the state of Minnesota and the State University Administrative Unit, approved by the legislative commission on employee relations on December 18, 1989, is ratified.

Subd. 11. [MANAGERIAL PLANS.] The commissioner of employee relations' plan for managerial employees, approved by the legislative commission on employee relations on September 6, 1989, is ratified.

Subd. 12. [COMMISSIONER'S PLAN.] The commissioner of employee relations' plan for unrepresented employees, approved by the legislative commission on employee relations on September 6, 1989, is ratified.

Subd. 13. [AGENCY HEADS.] The salary plan for positions listed in Minnesota Statutes, section 15A.081, approved by the legislative commission on employee relations on November 7, 1989, is ratified.

Subd. 14. [BOARD OF MEDICAL EXAMINERS.] The salary for the executive director of the board of medical examiners, approved by the legislative commission on employee relations on July 26, 1989, is ratified.

Subd. 15. [CHANCELLOR, STATE UNIVERSITY SYSTEM.] The salary for the chancellor of the Minnesota state university system, approved by the legislative commission on employee relations on December 18, 1989, is ratified.

Subd. 16. [CHANCELLOR, COMMUNITY COLLEGE SYSTEM.] The salary for the chancellor of the Minnesota community college system, approved by the legislative commission on employee relations on December 18, 1989, is ratified.

Subd. 17. [DIRECTOR, HIGHER EDUCATION COORDINATING BOARD.] The salary for the executive director of the Minnesota higher education coordinating board, approved by the legislative commission on employee relations on January 23, 1990, is ratified.

Subd. 18. [BOARD OF DENTISTRY.] The salary for the executive director of the board of dentistry, approved by the legislative commission on employee relations on January 23, 1990, is ratified.

Sec. 40. [INTERIM APPROVAL.]

After adjournment of the 1990 session but before the 1991 session of the legislature, the legislative commission on employee relations may give interim approval to any negotiated agreement, arbitration award, or compensation or salary plan submitted to it under other law. The commission shall submit the agreement, award, or plan to the entire legislature for ratification in the same manner and with the same effect as provided for agreements, awards, and plans submitted after adjournment of the legislature in an odd-numbered year.

Sec. 41. [RETIRED JUDGES; OPTION TO PURCHASE INSURANCE.]

The following judges may exercise the option provided in section 26 within 30 days after the effective date of that section:

(1) judges who retired before July 1, 1981; and

(2) judges who retired after July 1, 1981, but who were not notified of the option available under Minnesota Statutes, section 43A.27, subdivision 4.

Sec. 42. [REPEALER.]

Minnesota Statutes 1988, section 43A.081, subdivisions 1, 2, and 5; and Minnesota Statutes 1989 Supplement, section 485.018, subdivision 7, are repealed.

Sec. 43. [EFFECTIVE DATES.]

Sections 1, 3, 4, 5, 19, 21, and 25 are effective July 1, 1990. Sections 26, 39, and 40 are effective the day following final enactment. Section 2 is effective the day following final enactment and applies to appointments made after June 30, 1989. Section 35 is effective August 1, 1991."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "certain" and insert "state"

Page 1, line 3, delete everything after the semicolon

Page 1, delete lines 4 to 12

Page 1, line 13, delete everything before "amending" and insert "regulating the setting of certain salaries; ratifying certain salaries;"

Page 1, line 14, after "15A.081," insert "subdivision 7b, and"

Page 1, line 15, after the first semicolon, insert "15A.083, subdivisions 5, 7, and by adding a subdivision; 43A.04, subdivisions 1, 3, and by adding a subdivision; 43A.10, subdivisions 7 and 8; 43A.12, subdivision 5;" and delete "and 3; and" and insert ", 3, 4, 5, 6, and 7; 43A.15, subdivision 10; 43A.17, subdivision 1; 43A.18, subdivisions 4 and 5; 43A.191, subdivisions 2 and 3; 43A.23, subdivision 1; 43A.27, subdivision 4;"

Page 1, line 16, delete "amending" and insert "43A.37, subdivision 1; 176.421, by adding a subdivision; 176B.02; 487.13;"

Page 1, line 20, before the period, insert "; repealing Minnesota Statutes 1988, section 43A.081, subdivisions 1, 2, and 5; and Minnesota Statutes 1989 Supplement, section 485.018, subdivision 7"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 2115: A bill for an act relating to peace officers; authorizing licensed peace officers to operate motor vehicles and watercraft without lights under certain circumstances; providing exemption from tort liability; amending Minnesota Statutes 1988, sections 169.48; and 361.15; proposing coding for new law in Minnesota Statutes, chapter 169.

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

Page 2, line 16, after "officer," insert "as"

Page 2, line 23, after "orders" insert a comma

Page 2, line 28, delete "as applied in" and insert "for purposes of"

Page 2, line 34, strike "each"

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

adopted.

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

S.F. No. 1866: A bill for an act relating to Lake Superior; establishing an information, research, and education authority.

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

Delete everything after the enacting clause and insert:

“Section 1. [85B.01] [ORGANIZATION.]

Subdivision 1. [ESTABLISHMENT.] The Lake Superior Center Authority is established as a public corporation and instrumentality of the state. It is not subject to the laws governing a state agency except as provided in sections 1 to 7. The business of the corporation must be conducted under the name “Lake Superior Center Authority.”

Subd. 2. [BOARD OF DIRECTORS.] The corporation is governed by a board of five directors. The term of a director, except as otherwise provided below, shall be six years. One of the five directors shall be the commissioner of the department of natural resources. The other four members of the board shall be appointed by the governor with the advice and consent of the senate. Two members of the initial board of directors shall be appointed for terms of four years, and two for terms of two years. Vacancies on the board shall be filled by appointment of the governor, subject to the advice and consent of the senate. Board members shall not be compensated for their service as board members other than to be reimbursed for reasonable expenses incurred in connection with their duties as board members, which reimbursement shall be reviewed each year by the commissioner of finance. A board member may be removed by the governor for malfeasance or nonfeasance in the performance of the member's official duties.

Subd. 3. [BYLAWS.] The board of directors shall adopt bylaws necessary for the conduct of the business of the corporation, consistent with this act. The corporation must publish the bylaws and amendments to the bylaws in the State Register.

Subd. 4. [PLACE OF BUSINESS.] The board shall locate and maintain the corporation's place of business within the state.

Subd. 5. [CHAIR.] The board shall annually elect from among its members a chair and other officers necessary for the performance of its duties.

Subd. 6. [MEETINGS.] The board shall meet at least twice each year and may hold additional meetings upon giving notice in accordance with the bylaws of the corporation. Board meetings are subject to section 471.705.

Subd. 7. [CONFLICT OF INTEREST.] A director, employee, or officer of the corporation may not participate in or vote on a decision of the board relating to an organization in which the director has either a direct or indirect financial interest.

Subd. 8. [ECONOMIC INTEREST STATEMENTS.] Directors and officers of the corporation are public officials for the purpose of section 10A.09 and must file statements of economic interest with the state ethical practices board.

Subd. 9. [TORT CLAIMS.] The corporation is a state agency for purposes of section 3.736.

Subd. 10. [NO BENEFIT TO PRIVATE INDIVIDUALS OR CORPORATIONS.] This corporation shall not afford pecuniary gain, incidental or otherwise, to any private individual, firm, or corporation other than Lake Superior Center, a Minnesota nonprofit corporation (except the payment of reasonable fees for goods and services rendered and approved in accordance with the bylaws of the corporation) and no part of the net income or net earnings of the corporation shall, directly or indirectly, be distributable to or otherwise inure to the benefit of any individual.

Sec. 2. [85B.02] [POWERS.]

Subdivision 1. [GENERAL CORPORATE POWERS.] (a) The corporation has the powers granted to a business corporation by section 302A.161, subdivisions 3; 4; 5; 7; 8; 9; 11; 12; 13, except that the corporation may not act as a general partner in any partnership; 14; 15; 16; 17; 18; and 22; and the powers necessary or convenient to exercise the enumerated powers.

(b) The state is not liable for the obligations of the corporation.

(c) Section 302A.041 applies to this chapter and the corporation in the same manner that it applies to business corporations established under chapter 302A.

Subd. 2. [FACILITY DESIGN; DEVELOPMENT AND OPERATION.] The corporation shall enter into management contracts or lease agreements or both with Lake Superior Center, a Minnesota nonprofit corporation, to design, develop, and operate a facility to further the purposes of this act in the city of Duluth, at the site determined by the board and on the terms that the board finds desirable. Notwithstanding the provisions of section 1, subdivision 10, relating to conflict of interest, a director or officer of the corporation who is also a director, officer, or member of Lake Superior Center, a Minnesota nonprofit corporation, and the corporation, may participate in and vote on the decision of the board as to the terms and conditions of management contracts or lease agreements between Lake Superior Center and the corporation.

Subd. 3. [FUNDS.] The corporation may accept and use gifts, grants, or contributions from any source. Unless otherwise restricted by the terms of a gift or bequest, the board may sell, exchange, or otherwise dispose of, and invest or reinvest the money, securities, or other property given or bequeathed to it. The principal of these funds, the income from them, and all other revenues received by it from any nonstate source must be placed in the depositories the board determines and is subject to expenditure for the board's purposes. Expenditures of \$25,000 or more must be approved by the full board.

Subd. 4. [ANIMALS; REGULATION.] (a) The corporation shall comply with all federal laws and federal rules or regulations relating to the quarantine, transportation, examination, habitation, care, and treatment of wild animals. The department of natural resources may prescribe rules supplemental to federal regulations, relating to the transportation, examination, care, and treatment of wild animals native to this state held or proposed to be acquired by the board and may inspect them as often and at the times it deems necessary.

(b) The corporation shall not be subject to the provisions of chapters 17, 19, 97A, 97B, and 97C, and section 343.21, subdivision 8, that relate to purchase, barter, sale, possession, breeding, or transporting wild animals.

Subd. 5. [ANIMALS; SALE.] The board may sell or exchange animals determined by it to be superfluous to operations, subject to state and federal regulations.

Subd. 6. [ADVERTISING.] The board may provide for promotional and advertising programs to be developed and implemented either by its personnel or by contract with outside personnel and paid for out of funds other than bond revenues.

Subd. 7. [ADMISSION FEES.] The board or its agent may establish admission fees and other charges for use of its facilities.

Sec. 3. [85B.03] [EMPLOYEES.]

Subdivision 1. [NO EMPLOYEES.] The corporation shall have no employees itself but shall discharge its duties by contract and lease.

Subd. 2. [CONTRACTOR'S EMPLOYEES NOT STATE EMPLOYEES.] Persons employed by contractors or lessees are not state employees and may not participate in state retirement, deferred compensation, insurance, or other plans that apply to state employees generally and are not subject to regulation by the state ethical practices board.

Sec. 4. [85B.04] [ACCOUNTS; AUDITS.]

The corporation may establish funds and accounts that it finds convenient. The board shall provide for and pay the cost of an independent annual audit of its official books and records by the state public examiner. A copy of this audit shall be filed with the secretary of state. The corporation is subject to the auditing requirements under sections 3.971 and 3.972.

Sec. 5. [85B.05] [ANNUAL REPORT.]

(a) The board shall submit a report to the chairs of the house of representatives and senate environment and natural resources committees, the senate economic development and housing and the house of representatives economic development committees of the legislature and the governor on the activities of the corporation and its contractors and lessees by February 1 of each year.

(b) The report must include at least the following:

(1) a description of each of the programs that the corporation has provided or undertaken at some time during the previous year;

(2) an identification of the sources of funding in the previous year for the corporation and its programs including federal, state, and local government, foundations, gifts, donation, fees, and all other sources;

(3) a description of the administrative expenses of the corporation during the previous year;

(4) a listing of the assets and liabilities of the corporation at the end of the previous fiscal year;

(5) a description of any changes made to the operational plan during the previous year; and

(6) a description of any newly adopted or significant changes to bylaws, policies, rules, or programs created or administered by the corporation during the previous year.

(c) Reports must be made to the legislature as required by section 3.195.

Sec. 6. [85B.06] [PROPERTY TAX EXEMPTION.]

Property of the corporation is exempt from taxation on its value in the same manner as property listed in section 272.02, subdivision 1.

Sec. 7. [85B.07] [DISSOLUTION.]

In the event of the dissolution of the corporation for any reason, the state, upon action by the governor and after consultation with the legislative advisory commission, may require the liquidation of all holdings and investments and the return of the proceeds of that liquidation and any wholly owned assets of the corporation to the state in exchange for the assumption of all outstanding obligations of the corporation."

Amend the title as follows:

Page 1, line 3, delete ", research," and before the period, insert "; proposing coding for new law as Minnesota Statutes, chapter 85B"

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

SECOND READING OF SENATE BILLS

S.F. Nos. 1891, 2239, 2353, 2039, 2146, 1983, 2403, 1920, 2079, 2349, 2074, 772, 2264, 2261 and 2115 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. No. 2143 was read the second time.

MOTIONS AND RESOLUTIONS

Mr. Moe, R.D. moved that the name of Mr. Taylor be stricken as chief author and the name of Mr. Piepho be added as chief author to S.F. No. 13. The motion prevailed.

Mr. Decker moved that the name of Mr. Taylor be stricken as co-author and the name of Mr. Piepho be added as a co-author to S.F. No. 961. The motion prevailed.

Mr. DeCramer moved that the name of Mr. Piepho be added as a co-author to S.F. No. 1425. The motion prevailed.

Mr. Moe, R.D. moved that the name of Mr. Taylor be stricken as chief author and the name of Mr. Piepho be added as chief author to S.F. No. 1426. The motion prevailed.

Mr. Solon moved that the name of Mr. Larson be added as a co-author to S.F. No. 1790. The motion prevailed.

Mr. Merriam moved that the name of Mr. Davis be added as a co-author to S.F. No. 2289. The motion prevailed.

Mr. Merriam moved that the names of Messrs. Peterson, R.W.; Knaak; Laidig and Lessard be added as co-authors to S.F. No. 2428. The motion

prevailed.

Mr. Knaak moved that the name of Mr. Ramstad be added as a co-author to S.F. No. 2474. The motion prevailed.

Mr. Langseth moved that the names of Messrs. DeCramer and Benson be added as co-authors to S.F. No. 2480. The motion prevailed.

Mr. Stumpf moved that S.F. No. 1930 be withdrawn from the Committee on Education and re-referred to the Committee on Finance. The motion prevailed.

Mr. Schmitz moved that S.F. No. 2115, on General Orders, be stricken and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. McGowan moved that S.F. No. 2390 be withdrawn from the Committee on Health and Human Services and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Knaak moved that S.F. No. 2259 be withdrawn from the Committee on Local and Urban Government and returned to its author. The motion prevailed.

Mrs. Lantry moved that S.F. No. 2146, on General Orders, be stricken and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Mr. Moe, R.D. moved that Senate Resolution No. 154 be withdrawn from the Committee on Rules and Administration. The motion prevailed.

Senate Resolution No. 154: A Senate resolution designating and proclaiming April 22, 1990, as Earth Day 1990.

WHEREAS, almost 20 years ago, more than 20 million Americans joined together on Earth Day in a demonstration of concern for the environment, and their collective action resulted in the passage of sweeping new laws to protect our air, water, and land; and

WHEREAS, in the 19 years since the first Earth Day, despite environmental improvements, the environmental health of the planet is increasingly endangered, threatened by global climate change, ozone depletion, growing world population, tropical deforestation, ocean pollution, toxic wastes, desertification, and nuclear waste requiring action by all sectors of society; and

WHEREAS, Earth Day 1990 is a national and international call to action for all citizens to join in a global effort to save the planet; and

WHEREAS, Earth Day 1990 activities and events will educate all citizens on the importance of acting in an environmentally sensitive fashion by recycling, conserving energy and water, using efficient transportation, and adopting more ecologically sound lifestyles; and

WHEREAS, Earth Day 1990 will also educate all citizens on the importance of buying and using those products least harmful to the environment, the importance of doing business with companies that are environmentally sensitive and responsible, the importance of voting for those candidates who demonstrate an abiding concern for the environment, and the importance of supporting the passage of legislation that will help protect the environment; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota that it designate and proclaim April 22, 1990, as Earth Day 1990, and that that day shall be set aside for public activities promoting preservation of the global environment and launching the "Decade of the Environment."

BE IT FURTHER RESOLVED that the Secretary of the Senate is directed to prepare an enrolled copy of this resolution, to be authenticated by his signature and that of the Chairman of the Senate Rules and Administration Committee, and present it to the appropriate Minnesota organizations planning public activities for Earth Day 1990.

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

CALENDAR

S.F. No. 1695: A bill for an act relating to human services; authorizing allocation of central, affiliated, or corporate costs for nursing homes and intermediate care facilities for persons with mental retardation and related conditions; proposing coding for new law in Minnesota Statutes, chapter 256B.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Merriam	Ramstad
Anderson	Decker	Johnson, D.J.	Moe, D.M.	Reichgott
Beckman	DeCramer	Knaak	Moe, R.D.	Renneke
Belanger	Dicklich	Knutson	Morse	Samuelson
Benson	Diessner	Kroening	Novak	Schmitz
Berg	Flynn	Laidig	Olson	Solon
Berglin	Frank	Langseth	Pariseau	Spear
Bernhagen	Frederick	Lantry	Pehler	Storm
Bertram	Frederickson, D.J.	Luther	Peterson, R.W.	Stumpf
Brandl	Frederickson, D.R.	Marty	Piepho	Vickerman
Brataas	Freeman	McGowan	Piper	Waldorf
Chmielewski	Gustafson	McQuaid	Pogemiller	
Cohen	Hughes	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 1777: A bill for an act relating to Ramsey county; setting the terms of charter commission members; amending Minnesota Statutes 1988, section 383A.553, subdivision 1.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Merriam	Ramstad
Anderson	Decker	Johnson, D.J.	Moe, D.M.	Reichgott
Beckman	DeCramer	Knaak	Moe, R.D.	Renneke
Belanger	Dicklich	Knutson	Morse	Samuelson
Benson	Diessner	Kroening	Novak	Schmitz
Berg	Flynn	Laidig	Olson	Solon
Berglin	Frank	Langseth	Pariseau	Spear
Bernhagen	Frederick	Lantry	Pehler	Storm
Bertram	Frederickson, D.J.	Luther	Peterson, R.W.	Stumpf
Brandl	Frederickson, D.R.	Marty	Piepho	Vickerman
Brataas	Freeman	McGowan	Piper	Waldorf
Chmielewski	Gustafson	McQuaid	Pogemiller	
Cohen	Hughes	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 1813: A bill for an act relating to human services; amending the Medicare certification requirement for nursing homes; amending Minnesota Statutes 1989 Supplement, section 256B.48, subdivision 6.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Merriam	Ramstad
Anderson	Decker	Johnson, D.J.	Moe, D.M.	Reichgott
Beckman	DeCramer	Knaak	Moe, R.D.	Renneke
Belanger	Dicklich	Knutson	Morse	Samuelson
Benson	Diessner	Kroening	Novak	Schmitz
Berg	Flynn	Laidig	Olson	Solon
Berglin	Frank	Langseth	Pariseau	Spear
Bernhagen	Frederick	Lantry	Pehler	Storm
Bertram	Frederickson, D.J.	Luther	Peterson, R.W.	Stumpf
Brandl	Frederickson, D.R.	Marty	Piepho	Vickerman
Brataas	Freeman	McGowan	Piper	Waldorf
Chmielewski	Gustafson	McQuaid	Pogemiller	
Cohen	Hughes	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 1943: A bill for an act relating to human rights; lengthening the statute of limitations for human rights act violations; amending Minnesota Statutes 1989 Supplement, section 363.06, subdivision 3.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Moe, R.D.	Renneke
Anderson	Decker	Johnson, D.J.	Morse	Samuelson
Beckman	DeCramer	Knaak	Novak	Schmitz
Belanger	Dicklich	Kroening	Olson	Solon
Benson	Diessner	Laidig	Pariseau	Spear
Berg	Flynn	Langseth	Pehler	Storm
Berglin	Frank	Lantry	Peterson, R.W.	Stumpf
Bernhagen	Frederick	Luther	Piepho	Vickerman
Bertram	Frederickson, D.J.	Marty	Piper	Waldorf
Brandl	Frederickson, D.R.	McQuaid	Pogemiller	
Brataas	Freeman	Mehrkens	Purfeerst	
Chmielewski	Gustafson	Merriam	Ramstad	
Cohen	Hughes	Moe, D.M.	Reichgott	

Messrs. Knutson and McGowan voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1906: A bill for an act relating to crime victims; making the crime victim ombudsman accountable to the commissioner of public safety; clarifying that certain juvenile records are available to the ombudsman; amending Minnesota Statutes 1988, sections 611A.71, subdivision 6; 611A.74, subdivisions 1 and 3; and 611A.75.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Moe, D.M.	Reichgott
Anderson	Decker	Knaak	Moe, R.D.	Renneke
Beckman	DeCramer	Knutson	Morse	Samuelson
Belanger	Dicklich	Kroening	Novak	Schmitz
Benson	Diessner	Laidig	Olson	Solon
Berg	Frank	Langseth	Pariseau	Spear
Berglin	Frederick	Lantry	Pehler	Storm
Bernhagen	Frederickson, D.J.	Luther	Peterson, R.W.	Stumpf
Bertram	Frederickson, D.R.	Marty	Piepho	Vickerman
Brandl	Freeman	McGowan	Piper	Waldorf
Brataas	Gustafson	McQuaid	Pogemiller	
Chmielewski	Hughes	Mehrkens	Purfeerst	
Cohen	Johnson, D.E.	Merriam	Ramstad	

So the bill passed and its title was agreed to.

S.F. No. 1783: A bill for an act relating to education; allowing certain school districts to change education districts; amending Minnesota Statutes 1989 Supplement, section 122.91, subdivision 5.

With the unanimous consent of the Senate, Mr. Renneke moved to amend S.F. No. 1783 as follows:

Page 1, line 7, delete "1988" and insert "1989 Supplement"

The motion prevailed. So the amendment was adopted.

S.F. No. 1783 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Moe, R.D.	Renneke
Anderson	Decker	Knaak	Morse	Samuelson
Beckman	DeCramer	Knutson	Novak	Schmitz
Belanger	Dicklich	Kroening	Olson	Solon
Benson	Diessner	Laidig	Pariseau	Spear
Berg	Frank	Langseth	Pehler	Storm
Berglin	Frederick	Lantry	Peterson, R.W.	Stumpf
Bernhagen	Frederickson, D.J.	Luther	Piepho	Vickerman
Bertram	Frederickson, D.R.	Marty	Piper	Waldorf
Brandl	Freeman	McGowan	Pogemiller	
Brataas	Gustafson	Mehrkens	Purfeerst	
Chmielewski	Hughes	Merriam	Ramstad	
Cohen	Johnson, D.E.	Moe, D.M.	Reichgott	

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

CONSENT CALENDAR

S.F. No. 1973: A resolution memorializing the President and Congress to reauthorize the low-income home energy assistance program and to increase its appropriation for fiscal year 1991 and subsequent years.

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

The question was taken on the passage of the resolution.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Reichgott
Anderson	Decker	Johnson, D.E.	Mehrkens	Renneke
Beckman	DeCramer	Johnson, D.J.	Moe, R.D.	Samuelson
Belanger	Dicklich	Knaak	Novak	Schmitz
Benson	Diessner	Knutson	Olson	Solon
Berg	Flynn	Kroening	Pariseau	Spear
Berglin	Frank	Laidig	Pehler	Storm
Bernhagen	Frederick	Langseth	Piepho	Stumpf
Bertram	Frederickson, D.J.	Lantry	Piper	Vickerman
Brandl	Frederickson, D.R.	Luther	Pogemiller	Waldorf
Brataas	Freeman	Marty	Purfeerst	
Chmielewski	Gustafson	McGowan	Ramstad	

So the resolution passed and its title was agreed to.

GENERAL ORDERS

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

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

S.F. Nos. 1717, 1680, 1820 and 2130, which the committee recommends to pass.

S.F. No. 1789, which the committee recommends to pass with the following amendment offered by Mr. Vickerman:

Page 1, line 19, after "*orally*" insert ", *is ordinarily dispensed by a pharmacist,*"

Page 1, line 20, after "*vaccine*" insert a comma and before "*board*" insert "*practitioner's licensing*"

Page 1, line 25, before "*board*" insert "*appropriate licensing*"

Page 1, line 26, after "*means*" insert "(1)"

Page 2, lines 1 and 2, delete "*and dispensing*"

Page 2, line 2, after "*drug*" insert "*for legend drugs that are purchased in prepackaged form or (2) any amount received by the practitioner in excess of the acquisition cost of a legend drug plus the cost of making the drug available if the legend drug requires compounding, packaging, or other treatment. The statement filed under this paragraph is public data under section 13.03*"

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon

Page 1, delete lines 3 and 4

Page 1, line 5, delete everything before the semicolon and insert "requiring licensed health care practitioners who dispense certain legend drugs for profit to file with the practitioner's licensing board"

The motion prevailed. So the amendment was adopted.

S.F. No. 1691, which the committee recommends to pass with the following amendment offered by Ms. Berglin:

Page 2, line 3, delete "*commissioner*" and insert "*agency*"

The motion prevailed. So the amendment was adopted.

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

Without objection, remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate revert to the Order of Business of Reports of Committees. The motion prevailed.

REPORTS OF COMMITTEES

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S.F. No. 1915: A bill for an act relating to children; establishing a board to plan, coordinate, and oversee early childhood development programs and services; requiring local area planning councils to be established; establishing a technical advisory committee; proposing coding for new law as Minnesota Statutes, chapter 129D; repealing Minnesota Statutes 1989 Supplement, section 256H.25.

Reports the same back with the recommendation that the report from the Committee on Education, shown in the Journal for March 7, 1990, be adopted; that committee recommendation being:

"the bill be amended and when so amended the bill do pass and be referred to the Committee on Governmental Operations". Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S.F. No. 1931: A bill for an act relating to human services; providing for drug abuse prevention, research, and treatment programs; appropriating money; proposing new law in Minnesota Statutes 1988, chapter 254A.

Reports the same back with the recommendation that the report from the Committee on Health and Human Services, shown in the Journal for March 5, 1990, be amended to read:

"the bill be amended and when so amended the bill do pass and be referred to the Committee on Governmental Operations". Amendments adopted. Report adopted.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Chmielewski introduced—

S.F. No. 2490: A bill for an act relating to workers' compensation; including mentally retarded persons and those with related conditions to the list of registrable conditions for the subsequent disability special fund; amending Minnesota Statutes 1988, section 176.131, subdivision 8.

Referred to the Committee on Employment.

Mr. Renneke introduced—

S.F. No. 2491: A bill for an act relating to retirement; regulating economic interest statements of pension fiduciaries; amending Minnesota Statutes 1989 Supplement, section 356A.06, subdivision 4.

Referred to the Committee on Governmental Operations.

Mr. Metzen introduced—

S.F. No. 2492: A bill for an act relating to the practice of law; allowing the sole shareholder of a corporation to appear on behalf of the corporation in court; amending Minnesota Statutes 1988, section 481.02, subdivision 3.

Referred to the Committee on Judiciary.

Mr. Merriam introduced—

S.F. No. 2493: A bill for an act relating to insurance; promoting availability of automobile insurance for home day care providers; amending Minnesota Statutes 1988, sections 65B.13; 65B.47, subdivision 1; and 65B.49, by adding a subdivision.

Referred to the Committee on Commerce.

Messrs. Decker, Lessard and Anderson introduced—

S.F. No. 2494: A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public water in Cass county.

Referred to the Committee on Environment and Natural Resources.

Messrs. Decker, Pehler, Ms. Reichgott and Mr. Larson introduced—

S.F. No. 2495: A bill for an act relating to education; allowing independent school district No. 301 to transfer funds to the general fund upon consolidation.

Referred to the Committee on Education.

Messrs. Decker, Larson and Knutson introduced—

S.F. No. 2496: A bill for an act relating to education; permitting a levy referendum to be held in May; amending Minnesota Statutes Second 1989 Supplement, section 124A.03, subdivision 2.

Referred to the Committee on Education.

Messrs. Decker; Johnson, D.E.; Storm; Ms. Reichgott and Mr. Anderson introduced—

S.F. No. 2497: A bill for an act relating to nonprofit corporations; regulating amendments to the articles; requiring approval by the directors and members with voting rights; amending Minnesota Statutes 1989 Supplement, section 317A.133, subdivision 2.

Referred to the Committee on Judiciary.

Mr. Schmitz introduced—

S.F. No. 2498: A bill for an act relating to occupations and professions; increasing minimum insurance coverage required for abstracters; abolishing requirement of seals by impression; repealing an obsolete provision; amending Minnesota Statutes 1988, sections 386.66 and 386.67; repealing Minnesota Statutes 1988, section 386.65, subdivision 3.

Referred to the Committee on Commerce.

Mrs. Adkins, Messrs. Brandl, Benson, Mrs. McQuaid and Mr. Moe, R.D. introduced—

S.F. No. 2499: A bill for an act relating to state government; creating an advisory commission on intergovernmental relations; amending Minnesota Statutes Second 1989 Supplement, section 3.885, subdivisions 5 and 6; proposing coding for new law in Minnesota Statutes, chapter 15; repealing Minnesota Statutes Second 1989 Supplement, section 3.885, subdivision 1a.

Referred to the Committee on Governmental Operations.

Messrs. Brandl, Merriam and Davis introduced—

S.F. No. 2500: A bill for an act relating to ethics in government; prohibiting transfers between political funds and between certain political committees; requiring additional reporting in the case of legislators and legislative candidates; amending Minnesota Statutes 1988, sections 10A.12, by adding a subdivision; 10A.13, by adding a subdivision; 10A.15, by adding a subdivision; and 10A.20, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 10A.

Referred to the Committee on Elections and Ethics.

Mrs. Adkins introduced—

S.F. No. 2501: A bill for an act relating to the town of Otsego in Wright county; permitting the conversion of the town to a statutory city.

Referred to the Committee on Local and Urban Government.

Messrs. Vickerman, Davis, Berg, Beckman and Anderson introduced—

S.F. No. 2502: A bill for an act relating to finance; appropriating money for beekeepers' losses resulting from grasshopper control methods.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Pogemiller, Metzen, Renneke, Freeman and Morse introduced—

S.F. No. 2503: A bill for an act relating to retirement; providing for an increase in the maximum amount of pension payable to certain police officers; amending Minnesota Statutes 1988, section 423.809, subdivision 1.

Referred to the Committee on Governmental Operations.

Mrs. Adkins introduced—

S.F. No. 2504: A bill for an act relating to motor vehicles; providing for a surcharge on automobile rental; proposing coding for new law in Minnesota Statutes, chapter 297A.

Referred to the Committee on Taxes and Tax Laws.

Mr. Dicklich introduced—

S.F. No. 2505: A bill for an act relating to the Minnesota board on aging; authorizing supplemental funds for congregate meals; appropriating money; amending Minnesota Statutes 1988, section 256.975, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Messrs. Pehler; Peterson, R.W. and Larson introduced—

S.F. No. 2506: A bill for an act relating to education; implementing recommendations of the task force on education; offering incentives to school districts to participate in the statewide plan for outcome-based learning programs; requiring school boards to set school calendars; proposing coding for new law in Minnesota Statutes, chapters 121 and 126; repealing Minnesota Statutes 1988, sections 126.12; and 126.13.

Referred to the Committee on Education.

Mrs. McQuaid introduced—

S.F. No. 2507: A bill for an act relating to motor vehicles; authorizing special license plates for members of the United States armed forces ready reserve; amending Minnesota Statutes 1988, section 168.12, by adding a subdivision.

Referred to the Committee on Veterans and Military Affairs.

Mr. Renneke introduced—

S.F. No. 2508: A bill for an act relating to retirement; regulating pensions of volunteer firefighters; amending Minnesota Statutes 1988, section 424A.02, subdivision 6.

Referred to the Committee on Governmental Operations.

Mr. Merriam introduced—

S.F. No. 2509: A bill for an act relating to housing; placing certain restrictions on the single-family mortgage loan program; amending Minnesota Statutes 1988, sections 462A.05, subdivision 3; and 462A.21, subdivision 8a; repealing Minnesota Statutes 1988, section 462A.05, subdivision

2.

Referred to the Committee on Economic Development and Housing.

Mr. Knutson introduced—

S.F. No. 2510: A bill for an act relating to family law; providing for child support orders in certain visitation actions; amending Minnesota Statutes 1989 Supplement, section 257.022, subdivision 2b.

Referred to the Committee on Health and Human Services.

Messrs. Langseth and Purfeerst introduced—

S.F. No. 2511: A bill for an act relating to transportation; authorizing private operators to construct, improve, rehabilitate, own, lease, and operate bridges and roads as toll facilities; proposing coding for new law in Minnesota Statutes, chapter 160.

Referred to the Committee on Transportation.

Mr. Spear introduced—

S.F. No. 2512: A bill for an act relating to traffic regulations; allowing immediate towing of vehicles unlawfully parked in taxicab zones; amending Minnesota Statutes 1989 Supplement, section 169.041, subdivision 4.

Referred to the Committee on Transportation.

Mr. Beckman introduced—

S.F. No. 2513: A bill for an act relating to Faribault county; authorizing the county local redevelopment agency board to have nine members.

Referred to the Committee on Economic Development and Housing.

Mr. Freeman introduced—

S.F. No. 2514: A bill for an act relating to insurance; clarifying the law prohibiting insurers from maintaining subrogation actions against insureds; amending Minnesota Statutes 1989 Supplement, section 60A.41.

Referred to the Committee on Commerce.

Mr. Morse introduced—

S.F. No. 2515: A bill for an act relating to retirement; consolidating local police and fire relief associations; providing for the modification of consolidation procedures in certain instances; amending Minnesota Statutes 1988, section 353A.09, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 353A.

Referred to the Committee on Governmental Operations.

Messrs. Morse; Luther; Frederickson, D.J. and Anderson introduced—

S.F. No. 2516: A bill for an act relating to agriculture; establishing a food advisory committee; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 28A.

Referred to the Committee on Agriculture and Rural Development.

Mr. Morse introduced—

S.F. No. 2517: A bill for an act relating to counties; regulating performance bonds; amending Minnesota Statutes 1988, section 375.21, subdivision 1.

Referred to the Committee on Local and Urban Government.

Mr. Pehler introduced—

S.F. No. 2518: A bill for an act relating to employment; requiring overtime payment for certain work; amending Minnesota Statutes 1988, section 177.25, subdivision 1.

Referred to the Committee on Employment.

Messrs. Morse, DeCramer and Davis introduced—

S.F. No. 2519: A bill for an act relating to agriculture; amending provisions of the 1989 groundwater protection act; amending provisions relating to agricultural chemical regulation, enforcement, remediation, and compensation for remediation; clarifying the role of the commissioner of agriculture in remediation of agricultural chemicals; appropriating money; amending Minnesota Statutes 1988, sections 18B.14, subdivision 2; 18B.27, subdivision 3; 18B.28, subdivision 4; and 115B.02, subdivisions 3 and 4, and by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 18B.26, subdivision 3; 18C.005, by adding a subdivision; 18C.205, subdivision 2; 18C.305, subdivision 1; 18D.103, subdivision 1; 18D.301, by adding a subdivision; 18D.321, subdivision 2; 18E.03, subdivisions 3, 4, and 5, and by adding a subdivision; 18E.04, subdivision 1; Laws 1989, chapter 326, article 8, section 10; and chapter 335, article 1, section 23, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 18D; repealing Minnesota Statutes 1988, section 115B.17, subdivision 8.

Referred to the Committee on Agriculture and Rural Development.

Mr. Chmielewski introduced—

S.F. No. 2520: A bill for an act relating to retirement; excluding employees of the North Pine Area Hospital District from membership in the public employees retirement association for a limited time.

Referred to the Committee on Governmental Operations.

Mr. Chmielewski introduced—

S.F. No. 2521: A bill for an act relating to taxation; imposing an additional excise tax on motor vehicle rentals; amending Minnesota Statutes 1988, section 297A.02, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Chmielewski introduced—

S.F. No. 2522: A bill for an act relating to health; requiring licensure and regulation of outpatient surgical clinics; proposing coding for new law in Minnesota Statutes, chapter 145; repealing Minnesota Statutes 1988, section 145.416.

Referred to the Committee on Health and Human Services.

Mr. Chmielewski introduced—

S.F. No. 2523: A bill for an act relating to health; expanding reporting requirements for pregnancy terminations; amending Minnesota Statutes 1988, section 145.413, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Mr. Chmielewski introduced—

S.F. No. 2524: A bill for an act relating to health; maternal health; establishing an office in the state planning agency for the coordination of services for pregnant women; proposing coding for new law in Minnesota Statutes, chapter 145.

Referred to the Committee on Health and Human Services.

Mr. Pogemiller introduced—

S.F. No. 2525: A bill for an act relating to courts; altering the election districts of district judges; providing for the judges to be elected from their assignment district within the judicial district; amending Minnesota Statutes 1988, section 2.722, by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Chmielewski introduced—

S.F. No. 2526: A bill for an act relating to health; abortion; defining informed consent; creating a civil action; providing that a physician is strictly liable for damages arising out of certain abortions; prohibiting the performance of abortions on certain incompetent women; amending Minnesota Statutes 1988, sections 144.343, subdivisions 2 and 6; 145.412, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 145.

Referred to the Committee on Health and Human Services.

Mr. Davis introduced—

S.F. No. 2527: A bill for an act relating to agriculture; establishing an agricultural liming material law; appropriating money; prescribing penalties; proposing coding for new law as Minnesota Statutes, chapter 18F.

Referred to the Committee on Agriculture and Rural Development.

Mr. Frederick introduced—

S.F. No. 2528: A bill for an act relating to education; appropriating money for the costs of the consolidation of three districts.

Referred to the Committee on Education.

Mr. Beckman introduced—

S.F. No. 2529: A bill for an act relating to economic development; authorizing the establishment of rural development zones; proposing coding for new law in Minnesota Statutes, chapter 469.

Referred to the Committee on Economic Development and Housing.

Mr. Diessner introduced—

S.F. No. 2530: A bill for an act relating to public safety; requiring physicians to report maltreatment of spouses; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 626.

Referred to the Committee on Judiciary.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 2:00 p.m., Monday, March 12, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-NINTH DAY

St. Paul, Minnesota, Monday, March 12, 1990

The Senate met at 2:00 p.m. and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Nathan Tuff.

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

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

Adkins	Davis	Johnson, D.J.	Merriam	Reichgott
Anderson	Decker	Knaak	Metzen	Renneke
Beckman	DeCramer	Knutson	Moe, D.M.	Samuelson
Belanger	Dicklich	Kroening	Moe, R.D.	Schmitz
Benson	Diessner	Laidig	Morse	Solon
Berg	Flynn	Langseth	Novak	Spear
Berglin	Frank	Lantry	Olson	Storm
Bernhagen	Frederick	Larson	Pariseau	Stumpf
Bertram	Frederickson, D.J.	Lessard	Pehler	Vickerman
Brandl	Frederickson, D.R.	Luther	Piepho	Waldorf
Brataas	Freeman	Marty	Piper	
Chmielewski	Gustafson	McGowan	Pogemiller	
Cohen	Hughes	McQuaid	Purfeerst	
Dahl	Johnson, D.E.	Mehrkens	Ramstad	

The President declared a quorum present.

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

MEMBERS EXCUSED

Mr. Peterson, R.W. was excused from the Session of today. Mr. Brandl was excused from the Session of today at 2:35 p.m. Mr. Johnson, D.E. was excused from the Session of today from 2:00 to 3:30 p.m.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1555, 1989 and 2018.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 8, 1990

FIRST READING OF HOUSE BILLS

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

H.F. No. 1555: A bill for an act relating to fees; providing for fees charged by county recorder; amending Minnesota Statutes 1988, section 357.18, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1238, now on General Orders.

H.F. No. 1989: A bill for an act relating to motor vehicles; allowing tax-exempt license plates for vehicles used for driver education programs at nonpublic high schools; amending Minnesota Statutes 1989 Supplement, section 168.012, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 2018: A bill for an act relating to newspapers; changing filing requirements for qualification as a legal newspaper; amending Minnesota Statutes 1988, section 331A.02, subdivision 1.

Referred to the Committee on Judiciary.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 1790, 1952, 2395 and the report pertaining to appointments. The motion prevailed.

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1255: A bill for an act relating to public safety; creating the Minnesota advisory council on fire protection systems; requiring licensing and certifying of the fire protection industry; providing for rules and an exemption; creating fire protection systems account; providing for fees and a surcharge; imposing a penalty; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 299K.

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

Page 2, delete lines 22 to 27 and insert:

“Subdivision 1. [COMPENSATION; REMOVAL; EXPIRATION.] The Minnesota advisory council on fire protection systems and its members are governed by section 15.059, except that the terms of members are governed by subdivision 2.”

Page 2, line 28, delete “*nine*” and insert “*the commissioner of public safety or the commissioner’s designee, the commissioner of labor and industry or the commissioner’s designee, and seven*”

Page 2, line 29, delete “, *each*”

Page 3, line 2, delete everything after the period and insert "*The commissioners or their designees are nonvoting members.*"

Page 3, delete lines 3 and 4

Page 3, line 12, after "*equipment*" insert a comma

Page 3, line 28, delete "*The commissioner may also adopt emergency rules.*"

Page 4, line 5, delete the comma

Page 6, line 11, delete "*monthly*" and insert "*quarterly*"

Page 6, line 13, delete "*month*" and insert "*quarter*"

Page 6, line 22, delete "*month or*"

Page 6, line 25, delete the comma

Page 7, line 28, delete "*Sections 1 to 3, 6, and 8 are effective January 1, 1990.*"

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

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 1869: A bill for an act relating to occupational safety and health; requiring employers to prepare and implement a written program that describes how they will reduce the extent and severity of work-related injuries and illnesses; amending Minnesota Statutes 1988, section 182.653, by adding a subdivision.

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

Page 1, line 11, after "*employer*" insert "*covered by this section*"

Page 1, line 22, delete "*it*" and insert "*the plan*" and after "*all*" insert "*affected*"

Page 2, delete lines 4 to 8 and insert:

"Sec. 2. Minnesota Statutes 1988, section 182.653, is amended by adding a subdivision to read:

Subd. 8a. [STANDARD INDUSTRIAL CLASSIFICATION LIST.] The commissioner shall adopt, in accordance with section 182.655, a rule specifying a list of standard industrial classifications of employers who must comply with subdivision 8. The commissioner shall demonstrate the need to include each industrial classification on the basis of the safety record or worker's compensation record of that industry segment. The list shall be updated every two years.

Sec. 3. [182.6731] [SAFETY AWARDS.]

The commissioner may present awards to businesses that have excellent safety records. The award shall be presented jointly to the company and its employees. The commissioner may solicit advice on what businesses shall receive the awards from representatives of labor and business.

Sec. 4. [APPROPRIATION.]

§ is appropriated from the general fund to the commissioner of labor and industry for the purpose of section 3.”

Amend the title as follows:

Page 1, line 2, delete “occupational safety and health” and insert “labor”

Page 1, line 5, after “illnesses;” insert “providing for safety awards by the commissioner of labor and industry; appropriating money;”

Page 1, line 7, delete “a subdivision” and insert “subdivisions; proposing coding for new law in Minnesota Statutes, chapter 182”

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1551: A bill for an act relating to education; requiring students on all HECB advisory groups; amending Minnesota Statutes 1988, section 136A.02, subdivision 7, and by adding a subdivision.

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

Page 1, line 9, after “must” insert “, if requested by the student advisory council,”

Page 1, line 10, delete “each” and insert “an”

Page 1, line 12, after “student” insert “member or”

Pages 1 and 2, delete section 2 and insert:

“Sec. 2. Minnesota Statutes 1989 Supplement, section 136A.02, subdivision 7, is amended to read:

Subd. 7. [STUDENT ADVISORY COUNCIL.] A student advisory council to the board is established. The members of the council shall include the chair of the University of Minnesota university student senate, the state chair of the Minnesota state university student association, the president of the Minnesota community college student association, the president of the Minnesota vocational technical student association, the president of the Minnesota association of private college students, and a student who is enrolled in a private vocational school registered under this chapter, to be appointed by the Minnesota association of private post-secondary schools. A member may be represented by a designee.

The advisory council shall:

(1) bring to the attention of the board any matter that the council believes needs the attention of the board;

(2) make recommendations to the board as the council deems appropriate;

(3) review and comment upon proposals and other matters before the board;

(4) appoint student members to board advisory groups as provided in section 1;

(5) provide any reasonable assistance to the board; and

(6) select one of its members to serve as chair. The board shall inform

the council of all matters under consideration by the board and shall refer all proposals to the council before the board acts or sends the proposals to the governor or the legislature. The board shall provide time for a report from the advisory council at each meeting of the board.

The student advisory council shall report to the board quarterly and at other times that the council considers desirable. The council shall determine its meeting time, but the council shall also meet with the executive director of the board within 30 days after the director's request for a council meeting. The student advisory council shall meet quarterly with the higher education advisory council and the board executive committee. The council expires June 30, 1993."

Amend the title as follows:

Page 1, line 2, delete "requiring" and insert "providing for" and delete "all"

Page 1, line 3, after "groups" insert "if requested"

Page 1, line 4, delete "subdivision 7, and"

Page 1, line 5, before the period, insert "; Minnesota Statutes 1989 Supplement, section 136A.02, subdivision 7"

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

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

S.F. No. 1703: A bill for an act relating to natural resources; authorizing the enforcement of certain natural resource laws by conservation officers; amending Minnesota Statutes 1988, section 97A.205.

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 1790: A bill for an act relating to health; establishing a legislative task force to study the regulation of health insurance premium rates and health care costs.

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

Page 1, line 15, delete everything after the period

Page 1, line 16, delete "century,"

Page 1, line 18, after the period, insert "*The legislature is also concerned that state residents should receive value for the insurance premiums paid in the form of coverage for necessary and appropriate health services.*"

Page 1, line 20, delete "will be" and insert "*is available and*"

Page 1, line 22, delete "*There is*"

Page 1, line 23, delete "*established a*" and insert "*The*"

Page 1, line 24, delete "*. The task force shall consist*" and insert "*and cost containment practices consists*"

Page 2, lines 1 and 2, delete “senate majority leader” and insert “sub-committee on committees of the senate rules and administration committee”

Page 2, line 13, delete “and”

Page 2, line 14, after “rates” insert “, and insurance industry practices related to cost containment”

Page 2, line 18, after the period, insert “The task force shall study industry cost containment practices, including utilization review issues, to evaluate their impact on the insurance and health coverage subscribers receive.”

Page 2, line 24, delete “and” and insert a comma

Page 2, line 25, after the comma, insert “and utilization review activities,”

Page 2, line 30, after the period, insert “The task force shall study the issue of state regulation of utilization review activities to ensure appropriate consumer access and coverage for necessary health care.”

Page 2, line 33, after “organizations” insert “, while ensuring continued access to appropriate health insurance coverage”

Page 2, after line 33, insert:

“(f) The legislative task force shall study the denial of health care benefits to Minnesota consumers. The task force shall review denial rates and appeals processes available to consumers. The task force shall examine systems, processes, and standards of criteria used for medical necessity determinations by insurers. The task force shall seek input from consumers, health care providers, and representatives of insurance and health maintenance organizations.”

And when so amended the bill do pass. Mr. Knaak questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 1768: A bill for an act relating to financial institutions; regulating electronic fund transfer facilities; providing for access by other transmission facilities; amending Minnesota Statutes 1988, section 47.65, subdivision 1.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 47.61, is amended by adding a subdivision to read:

Subd. 8. [MINNESOTA TRANSMISSION FACILITY.] “Minnesota transmission facility” means (1) a transmission facility which is owned or controlled by a financial institution located in Minnesota; (2) a transmission facility owned or controlled by a bank holding company or savings and loan holding company domiciled or headquartered in Minnesota; or (3) a transmission facility established in Minnesota and approved by the commissioner under section 47.65, subdivision 1, as of the effective date of section 2.

Sec. 2. Minnesota Statutes 1988, section 47.65, is amended by adding a subdivision to read:

Subd. 1a. [TERMS.] A Minnesota transmission facility which is used by, or made available to, any other Minnesota transmission facility must be made available on fair, equitable, and nondiscriminatory terms to all other Minnesota transmission facilities upon request of such Minnesota transmission facility. A person requesting use of a Minnesota transmission facility shall be permitted its use only if the person conforms to reasonable technical operating standards which have been established by the Minnesota transmission facility.

The charges required to be paid to a Minnesota transmission facility must be related to the costs of establishing, operating, and maintaining the facility plus a reasonable return on those costs to the owner of the facility. The charges may provide for amortization of development costs and capital expenditures over a reasonable period of time; provided that the charges as may be separately determined and established from time to time by each Minnesota transmission facility, are fair, equitable, and nondiscriminatory."

Delete the title and insert:

"A bill for an act relating to financial institutions; regulating electronic fund transfer facilities; providing for access by other transmission facilities; amending Minnesota Statutes 1988, sections 47.61, by adding a subdivision; and 47.65, by adding a subdivision."

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

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 2140: A bill for an act relating to workers' compensation; establishing a method of premium calculation for workers' compensation insurance; amending Minnesota Statutes 1988, section 79.52, by adding a subdivision.

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

Delete everything after the enacting clause and insert:

"Section 1. [WORKERS' COMPENSATION ADVISORY TASK FORCE; CONTRACTORS PREMIUM CALCULATION STUDY.]

A workers' compensation advisory task force is hereby created to study the feasibility and advisability of calculating premium for workers' compensation insurance with respect to all contractor employer classifications, pursuant to the classification plan required to be filed under Minnesota Statutes, section 79.61, on the basis of total hours worked during the policy coverage period rather than on the basis of total payroll. The advisory task force shall consist of the commissioner of labor and industry, the commissioner of commerce, one public member, one member representing union contractor employers, one member representing non-union contractor employers, and one member representing the workers' compensation insurance rating association. The public and contractor employer members shall be appointed by the commissioner of labor and industry.

Members of the advisory task force shall not receive per diem, but shall receive expenses as provided under Minnesota Statutes, section 15.059, subdivision 6. The task force shall make findings and recommendations to the commissioner of labor and industry by January 1, 1991. The commissioner of labor and industry shall provide a report to the senate employment committee and the house of representatives labor and management relations committee by February 1, 1991, concerning the findings and recommendations of the advisory task force. The advisory task force shall expire on January 1, 1991.

Sec. 2. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to workers' compensation; creating an advisory task force to study a new workers' compensation premium calculation method for contractor employers; requiring a report to the legislature."

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F. No. 2114: A bill for an act relating to the operation of state government; changing certain procedures and limits for contracts with the state; establishing an advisory task force; authorizing reimbursement of certain expenses; changing certain vehicle marking and color provisions; clarifying certain transfer authority; protecting governments that purchase certain insurance; amending Minnesota Statutes 1988, sections 3.736, subdivision 8; 16B.07, subdivision 3; 16B.09, by adding a subdivision; 16B.17, subdivision 3; 16B.41, subdivision 4; 16B.58, subdivision 7; 16B.85, subdivision 5; and 466.06; and Minnesota Statutes 1989 Supplement, sections 16B.54, subdivision 2; and 40.46, subdivision 1.

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

Page 1, line 27, after "insurance" insert "or reinsurance"

Page 2, delete section 3 and insert:

"Sec. 3. Minnesota Statutes 1988, section 16B.09, subdivision 5, is amended to read:

Subd. 5. [COOPERATIVE AGREEMENTS PURCHASING REVOLVING FUND.] *The cooperative purchasing revolving fund is a separate account in the state treasury. The commissioner may charge a fee to cover the commissioner's administrative expenses to government units that have joint or cooperative purchasing agreements with the state under section 471.59. The fees collected must be deposited in the revolving fund established by this subdivision. Money in the fund is appropriated to the commissioner to administer the programs and services covered by this section.*"

Page 3, after line 21, insert:

"Sec. 5. Minnesota Statutes 1988, section 16B.17, subdivision 4, is amended to read:

Subd. 4. [REPORTS.] ~~After completion of performance under a consultant or professional and technical services contract, the agency shall evaluate the performance under the contract and the utility of the final product. This evaluation must be delivered to the commissioner, who shall retain all the evaluations for future reference.~~ The commissioner shall submit to the governor and the legislature a monthly listing of all contracts for consultant services and for professional and technical services executed or disapproved in the preceding month. The report must identify the parties and the contract amount, duration, and tasks to be performed. The commissioner shall also issue quarterly reports summarizing the contract review activities of the department during the preceding quarter.

Sec. 6. Minnesota Statutes 1988, section 16B.24, subdivision 10, is amended to read:

Subd. 10. [CHILD CARE SERVICES SPACE.] For state office space that is leased, purchased, or substantially remodeled after August 1, 1988, the commissioner shall consider including space usable for child care services or for a workplace school. ~~Child care~~ Space must be included if the commissioner determines that it is needed and that it could be provided at reasonable cost. The commissioner may prepare a day care site sites as a common usage space for the capitol complex.

Sec. 7. Minnesota Statutes 1989 Supplement, section 16B.28, subdivision 3, is amended to read:

Subd. 3. [REVOLVING FUND.] (a) [CREATION.] The materials distribution revolving fund is a separate fund in the state treasury. All money relating to the resource recovery program established under section 115A.15, subdivision 1, all money resulting from the acquisition, acceptance, warehousing, distribution, and public sale of surplus property, and all money resulting from the sale of centrally acquired, warehoused, and distributed supplies, materials, and equipment; ~~and all money relating to the cooperative purchasing venture established under section 471.59~~ must be deposited in the fund. Money paid into the materials distribution revolving fund is appropriated to the commissioner for the purposes of the programs and services referred to in this section.

(b) [TRANSFER OR SALE TO STATE AGENCY.] When the state or an agency operating under a legislative appropriation obtains surplus property from the commissioner, the commissioner of finance must, at the commissioner's request, transfer the cost of the surplus property, including any expenses of acquiring, accepting, warehousing, and distributing the surplus property, from the appropriation of the state agency receiving the surplus property to the materials distribution revolving fund. The determination of the commissioner is final as to the cost of the surplus property to the state agency receiving the property.

(c) [TRANSFER OR SALE TO OTHER GOVERNMENTAL UNITS OR NONPROFIT ORGANIZATIONS.] When any governmental unit or nonprofit organization other than a state agency receives surplus property, supplies, materials, or equipment from the commissioner, the governmental unit or nonprofit organization must reimburse the materials distribution revolving fund for the cost of the property, including the expenses of acquiring, accepting, warehousing, and distributing it, in an amount the commissioner sets. The commissioner may, however, require the governmental unit or nonprofit organization to deposit in advance in the materials distribution revolving fund the cost of the surplus property, supplies, materials,

and equipment upon mutually agreeable terms and conditions. The commissioner may charge a fee to political subdivisions and nonprofit organizations to establish their eligibility for receiving the property and to pay for costs of storage and distribution.”

Page 5, lines 9 and 10, delete the new language

Page 5, after line 35, insert:

“Sec. 11. Minnesota Statutes 1988, section 16B.60, is amended by adding a subdivision to read:

Subd. 9. [HISTORIC BUILDING.] “Historic building” means a state-owned building that is on the national register of historic places.

Sec. 12. Minnesota Statutes 1988, section 16B.60, is amended by adding a subdivision to read:

Subd. 10. [EQUIVALENT PROTECTION.] “Equivalent protection” means a measure other than a code requirement that provides essentially the same protection against a hazard that would be provided by a code requirement.

Sec. 13. [16B.625] [EXEMPTIONS.]

The commissioner, the secretary of the senate, and the speaker of the house of representatives may exempt a part of a historic building occupied, respectively, by a state agency, the senate, or the house of representatives from the state or another building, fire, safety, or other code if the exemption is necessary to preserve the historic or esthetic character of the building or to prevent theft, vandalism, terrorism, or another crime. When an exemption is from a code requirement designed to protect against personal injury, the provision of equivalent protection must be considered.”

Page 6, line 10, before the comma, insert “or reinsurance”

Page 6, line 29, strike “the”

Page 6, line 30, delete “commissioners” and strike “of natural resources” and delete “and administration” and insert “state agencies and departments”

Page 6, line 36, strike “under section 84.0273”

Page 7, line 31, after “insurance” insert “or reinsurance”

Page 8, after line 5, insert:

“Sec. 17. Minnesota Statutes 1988, section 471.59, subdivision 1, is amended to read:

Subdivision 1. [AGREEMENT.] Two or more governmental units, by agreement entered into through action of their governing bodies, may jointly or cooperatively exercise any power common to the contracting parties or any similar powers, including those which are the same except for the territorial limits within which they may be exercised. The agreement may provide for the exercise of such powers by one or more of the participating governmental units on behalf of the other participating units. The term “governmental unit” as used in this section includes every city, county, town, school district, other political subdivision of this or ~~any adjoining~~ another state, and any agency of the state of Minnesota or the United States, and includes any instrumentality of a governmental unit. For the purpose of this section, an instrumentality of a governmental unit means an instrumentality having independent policy making and appropriating authority.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "creating a cooperative purchasing revolving fund; directing commissioner of administration to consider making state-owned space available for a workplace school;"

Page 1, line 7, after the semicolon, insert "permitting exemptions from building and other codes to preserve historic state buildings;"

Page 1, line 10, delete "by adding a"

Page 1, line 11, after the first "subdivision" insert "5" and delete "subdivision 3;" and insert "subdivisions 3 and 4; 16B.24, subdivision 10;"

Page 1, line 12, after the second semicolon, insert "16B.60, by adding subdivisions;"

Page 1, line 13, delete the first "and" and after the second semicolon, insert "471.59, subdivision 1;"

Page 1, line 14, after "sections" insert "16B.28, subdivision 3;"

Page 1, line 15, before the period, insert "; proposing coding for new law in Minnesota Statutes, chapter 16B"

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F. No. 2194: A bill for an act relating to hazardous materials; directing the commissioner of public safety to plan a system for a regional hazardous materials incident response program; establishing an advisory council; appropriating money.

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

Page 1, line 10, delete "*and implement*"

Page 2, line 12, delete "*is created and*"

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

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

S.F. No. 2063: A bill for an act relating to health; requiring an environmental impact statement for burning of PCBs; authorizing counties to be compensated for human health risks; requiring permits and local approval before burning PCBs; requiring a report to the public utilities commission and a return of savings to ratepayers; amending Minnesota Statutes 1988, section 116.36, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 116.

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

Page 2, line 4, after "a" insert "*significant*"

Page 2, line 9, after "by" insert "*the Minnesota pollution control agency, in consultation with*"

Page 2, delete lines 10 to 13 and insert:

"Subd. 4. [LOCAL RESOLUTION.] As"

Page 2, line 16, delete "After the"

Page 2, delete lines 17 to 22

Amend the title as follows:

Page 1, delete line 6

Page 1, line 7, delete everything before "amending"

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1753: A bill for an act relating to privacy; providing for a cause of action for invasion of privacy; proposing coding for new law as Minnesota Statutes, chapter 554.

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1726: A bill for an act relating to child care funding; authorizing the commissioner of human services to promulgate rules directing county boards to establish certain payment policies; amending Minnesota Statutes 1989 Supplement, section 256H.02.

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1952: A bill for an act relating to health; eliminating the office of social work and mental health boards; modifying the duties of the board of unlicensed mental health service providers; requiring all mental health service providers to file with the board; amending Minnesota Statutes 1988, sections 148B.01, subdivision 7; 148B.07; 148B.41, subdivision 1; 148B.42, subdivision 2, and by adding a subdivision; 148B.43; and 148B.46, subdivision 1; Minnesota Statutes 1989 Supplement, sections 148B.17; 148B.40, subdivision 3; and 148B.42, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 148B; repealing Minnesota Statutes 1988, sections 148B.01, subdivision 2; 148B.02; and 148B.171.

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

Delete everything after the enacting clause and insert:

"Section 1. [REPORT ON METHODS OF COORDINATING SOCIAL WORK AND MENTAL HEALTH BOARDS.]

(a) The commissioner of health shall convene an interagency task force consisting of health department staff and representatives from the commissioner of human services and the boards of social work, marriage and family therapy, unlicensed mental health service providers, medical examiners, nursing, and psychology to study the current system of monitoring and regulating both licensed and unlicensed individuals who practice mental health counseling, psychotherapy, psychiatry, psychiatric nursing, social work, professional counseling, chemical dependency counseling, and similar activities. The task force shall make recommendations for improving coordination, administrative efficiency, and effectiveness of the activities of the department of health and the boards that monitor and regulate these social work and mental health occupations and professions. The task force shall solicit and consider the comments and recommendations of affected individuals, associations, and government agencies. In developing its recommendations, the task force shall consider:

(1) methods of monitoring or regulating unlicensed practitioners and whether this activity should be administered by the health department, an independent administrative agency, a board, or another entity;

(2) a surcharge on license fees of all social work and mental health boards to finance the monitoring or regulation of unlicensed practitioners;

(3) methods of coordinating the various systems for accepting and investigating complaints;

(4) coordinated information systems to identify individuals who have been denied a license or have been subject to disciplinary action by another licensing board or agency; and

(5) other relevant issues identified by the task force.

(b) The commissioner of health shall report to the legislature by December 1, 1990, with the results of the study and the recommendations of the task force.

Sec. 2. [EXEMPTION.]

For the biennium ending June 30, 1991, the board of unlicensed mental health service providers is exempt from Minnesota Statutes, sections 16A.128, subdivision 1, and 214.06, subdivision 1."

Delete the title and insert:

"A bill for an act relating to health; requiring a study of methods of improving systems for regulating social work and mental health occupations and professions; exempting the board of unlicensed mental health service providers from certain license fee requirements."

And when so amended the bill do pass. Mr. Moe, D.M. questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Solon from the Committee on Commerce, to which was re-referred

S.F. No. 1835: A bill for an act relating to health; requiring insurers to provide medical malpractice insurance premium discounts to qualifying physicians and professional nurse-midwives; requiring the commissioner of administration to purchase vaccine for resale to medical providers at discounted prices; declaring the goal of the legislature to achieve full

funding for the WIC program by 1993; establishing additional responsibilities of the commissioner of health relating to the WIC program; requiring the commissioner of human services to seek federal approval to eliminate eligibility redeterminations for certain pregnant women and infants; expanding eligibility for the children's health plan to include certain pregnant women and children up to age six; increasing medical assistance income limits for pregnant women and children up to age seven; increasing payment rates for prenatal care and delivery services; requiring a plan to improve utilization rates for prenatal care and preventive care for children; expanding the prenatal care media outreach campaign; requiring the boards of medical examiners and nursing to report on complaints relating to obstetrics, gynecology, prenatal care, and delivery; requiring a report; appropriating money; amending Minnesota Statutes 1988, sections 214.07, subdivision 1, and by adding a subdivision; and 256.936, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 145.894; 256.936, subdivision 1; 256B.04, subdivision 17; and 256B.057, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 60A and 144.

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1739: A bill for an act relating to metropolitan government; clarifying provisions for compensation; amending Minnesota Statutes 1988, sections 473.123, subdivision 5; and 473.141, subdivision 7; Minnesota Statutes 1989 Supplement, sections 473.605, subdivision 2; and 473.704, subdivision 6.

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1022: A bill for an act relating to economic development; requiring a job impact statement of certain government units; providing prefeasibility study grants; requiring the employer who engages in a plant closing or mass layoff to pay community benefits, severance pay, and health benefits; establishing a community response committee; requiring repayment of certain financial assistance to businesses; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 268.

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

Page 5, line 4, delete "*secure*" and insert "*coordinate the securing of*"

Page 5, line 17, delete "*in*" and insert "*to coordinate the*"

Page 5, line 18, delete "*the*" and insert "*of*"

Pages 6 and 7, delete article 2

Page 7, line 25, delete "3" and insert "2"

Page 7, line 27, delete "PLANT CLOSINGS" and insert "EMPLOYEE DISPLACEMENT"

Page 8, lines 2 and 32, delete "*a plant closing*" and insert "*employee displacement*"

Page 8, after line 15, insert:

"Subd. 7. [EMPLOYEE DISPLACEMENT.] "*Employee displacement*" means the shutdown or termination of operations of an establishment, within three years of an acquisition by an employer, if the shutdown results in an employment loss at the single site of employment during any 30-day period for 25 or more employees, excluding any part-time employees."

Page 8, line 16, delete "7" and insert "8"

Page 8, line 26, delete "8" and insert "9"

Page 8, line 29, delete "9" and insert "10"

Page 9, line 4, delete "10" and insert "11"

Page 9, lines 6 and 8, delete "*plant*"

Page 9, lines 7 and 9, delete "*closing*" and insert "*employee displacement*"

Page 9, line 10, delete "11" and insert "12"

Page 9, delete lines 13 to 18

Page 9, line 29, delete "*a*" and insert "*an*"

Page 9, lines 30, 34, and 35, delete "*plant closing*" and insert "*employee displacement*"

Page 10, line 18, delete "*a plant closing*" and insert "*an employee displacement*"

Page 10, lines 22 and 34, delete "*plant closing*" and insert "*employee displacement*"

Page 11, line 4, delete "*a plant closing*" and insert "*an employee displacement*"

Page 11, lines 13 and 16, delete "*plant closing*" and insert "*employee displacement*"

Page 12, line 2, delete "*plant closing*" and insert "*employee displacement*"

Page 12, lines 13, 23, and 33, delete "*a plant closing*" and insert "*an employee displacement*"

Page 13, lines 9 and 29, delete "*a plant closing*" and insert "*an employee displacement*"

Page 13, lines 12 and 19, delete "*plant closing*" and insert "*employee displacement*"

Page 14, lines 3, 24, 28, and 36, delete "*plant closing*" and insert "*employee displacement*"

Page 14, lines 4 and 35, delete "*a plant closing*" and insert "*an employee displacement*"

Page 14, line 16, delete "*plant*"

Page 14, line 17, delete "*closing*" and insert "*employee displacement*"

Page 15, line 16, delete "*a plant closing*" and insert "*an employee displacement*"

Amend the title as follows:

Page 1, line 4, delete "providing prefeasibility study grants;"

Page 1, line 5, delete "a plant closing" and insert "an employee displacement"

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2430: A bill for an act relating to financial institutions; establishing a system for the evaluation and rating of community reinvestment by depository financial institutions owned by interstate bank holding companies; providing uniformity with federal financial institutions regulatory practices; regulating public disclosure of uniform rating; amending Minnesota Statutes 1988, sections 48.92, by adding a subdivision; 48.93, subdivision 3; and 48.97, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 47; repealing Minnesota Statutes 1988, section 48.99.

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

Page 1, line 18, after the third comma, insert "and"

Page 1, line 19, delete everything after "powers"

Page 1, line 20, delete everything before "that" and delete "bank"

Page 1, line 29, delete "The commissioner may conduct"

Page 2, delete lines 1 to 9

Page 2, line 11, delete "this subdivision" and insert "section 46.04"

Pages 3 and 4, delete section 7

Page 6, delete sections 9 and 10

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "bank"

Page 1, line 9, delete everything before "48.93," and insert "section"

Page 1, line 10, delete "and 48.97, subdivision 1;"

Page 1, line 11, delete the semicolon and insert a period

Page 1, delete line 12

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2223: A bill for an act relating to local government; reauthorizing Ramsey county and the city of St. Paul to issue general obligation bonds to finance the restoration of the concourse of the St. Paul union depot; repealing Minnesota Statutes 1988, section 383A.65, as amended.

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2179: A bill for an act relating to local government in Ramsey county; eliminating certain performance bonds; permitting fees for inspections by the county surveyor; amending Minnesota Statutes 1988, section 383A.32, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 383A.

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2383: A bill for an act relating to the city of Upsala; permitting the establishment of a boundary commission.

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2119: A bill for an act relating to Blue Earth county; permitting the appointment of the auditor, recorder, and treasurer; authorizing the reorganization of county offices.

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2366: A bill for an act relating to the city of Mankato; permitting the adoption of certain ordinances and regulations.

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2373: A bill for an act relating to Olmsted county; permitting the consolidation of the offices of auditor and treasurer.

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

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

S.F. No. 1946: A bill for an act relating to agriculture; providing for deficiency judgments relating to foreclosure and sale of mortgages on property used in agricultural production; requiring fair market value to be determined by the court; extending period for execution on judgment;

amending Minnesota Statutes 1988, section 582.30, subdivisions 3, 4, 5, 6, and 7.

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

Page 1, line 25, after the period, insert "*At the request of either party*" and reinstate the stricken language

Page 1, lines 26 and 27, reinstate the stricken language

Page 2, line 34, after the period, insert "*At the request of either party*" and reinstate the stricken language

Page 2, lines 35 and 36, reinstate the stricken language

Page 3, delete section 5

Amend the title as follows:

Page 1, line 8, after "5," insert "and" and delete ", and 7"

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

Mr. Bertram from the Committee on Veterans and Military Affairs, to which was referred

S.F. No. 2257: A bill for an act relating to veterans; requiring post-secondary institutions to let veterans apply for college credit for activities and experience in military service in certain cases; proposing coding for new law in Minnesota Statutes, chapter 135A.

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

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 2435: A bill for an act relating to economic development; appropriating money to prepare land in the city of South St. Paul for economic development; authorizing the sale of state bonds.

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

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 2278: A bill for an act relating to taxation; extending the duration of enterprise zones; amending Minnesota Statutes Second 1989 Supplement, section 469.167, subdivision 2.

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

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

S.F. No. 1999: A bill for an act relating to agriculture; changing certain duties, procedures, and requirements related to organic food; amending Minnesota Statutes 1988, sections 31.94 and 31.95; repealing Minnesota

Statutes 1988, section 31.95, subdivision 2.

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

Page 1, after line 7, insert:

“Section 1. Minnesota Statutes 1988, section 31.92, is amended by adding a subdivision to read:

Subd. 1a. [COMMISSIONER.] “Commissioner” means the commissioner of agriculture.

Sec. 2. Minnesota Statutes 1988, section 31.92, is amended by adding a subdivision to read:

Subd. 2a. [MINNESOTA GROWN.] “Minnesota grown” means a product licensed to use the logo or labeling statement under section 17.102, subdivision 1.”

Page 1, line 10, strike “DEPARTMENTAL” and insert “COMMISSIONER”

Page 1, lines 11, 12, 15, and 20, strike “department” and insert “commissioner”

Page 2, after line 14, insert:

“Subd. 3a. [CERTIFICATION ORGANIZATIONS.] (a) A Minnesota grown organic product that is labeled “certified” must be certified by a designated certification organization.

(b) A certified organic product sold in this state must be certified by a designated certification organization or by a certification organization approved by the commissioner upon the evaluation and recommendation of the Minnesota organic advisory task force.

(c) The commissioner shall appoint a task force composed of members of the organic industry to advise the commissioner on organic issues.

Subd. 3b. [DISCLAIMER.] Sections 31.92 to 31.95, and actions of the commissioner or department taken under those sections, do not constitute a warranty as to the safety, wholesomeness, or fitness of an article or substance that is certified as organic. A person or other entity may not represent that a certified article or substance is approved or endorsed by the state of Minnesota or the department.”

Page 2, delete lines 18 to 33

Page 2, delete section 3

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after “sections” insert “31.92, by adding subdivisions;” and before “and” insert a semicolon

Page 1, line 5, delete everything after “31.95” and insert a period

Page 1, delete line 6

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

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

S.F. No. 2024: A bill for an act relating to Anoka county; authorizing the sale or exchange of certain land.

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

Page 1, lines 6 and 7, delete “*or other law to the contrary.*”

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

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

S.F. No. 1772: A bill for an act relating to natural resources; establishing Lake of the Woods state forest; amending Minnesota Statutes 1988, section 89.021, by adding a subdivision.

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

Page 1, after line 5, insert:

“Section 1. Minnesota Statutes 1989 Supplement, section 40.46, subdivision 2, is amended to read:

Subd. 2. [DELINEATION OF WETLAND OR MARGINAL LAND.] (a) Before state land is sold, the ~~land must be submitted to the board of water and soil resources to authority selling the land~~ must determine and delineate the marginal land and wetlands to be reserved or restricted by a conservation easement. *The delineation must be reported to the board of water and soil resources before the land is sold. The board may only disapprove the delineation within 60 days after the delineation is reported.* The delineation of the reservation or conservation easement need not be by legal description and may be a description in general terms that identifies the marginal land or wetlands. *For tax-forfeited land the soil and water conservation board of the district where the land is located must review marginal land and wetlands and delineate the reservation or conservation easement.*

(b) Marginal land and wetlands may not be sold unless restricted by a conservation easement with the restrictions provided in section 40.43, subdivision 4, paragraphs (a) and (c), and other restrictions determined necessary by the board of water and soil resources.

Sec. 2. Minnesota Statutes 1988, section 89.021, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHED.] There are hereby established and reestablished as state forests, in accordance with the forest resource management policy and plan, all lands and waters now owned by the state or hereafter acquired by the state, excepting lands acquired for other specific purposes or tax-forfeited lands held in trust for the taxing districts unless incorporated therein as otherwise provided by law; ~~in the townships and sections described as follows:.~~”

Page 1, line 8, delete “60” and insert “30a”

Page 17, after line 24, insert:

“Sec. 4. [LAND CLASSIFICATION AGREEMENT LANDS EXEMPTION.]

Notwithstanding Minnesota Statutes, section 40.46, lands sold pursuant to the land classification agreement between the commissioner of natural resources and Lake of the Woods county dated August 1989 need not comply with section 40.46 and are exempt from Minnesota Statutes, section 40.43.

Sec. 5. [INSTRUCTION TO REVISOR.]

The revisor need not include the legal description for state forests under Minnesota Statutes, section 89.021, but must include a history of the session laws establishing or amending the boundaries of state forests under each subdivision in the same manner as provided for state parks under Minnesota Statutes, section 85.012.

The lands described in the session laws establishing or changing the boundaries of each state forest are included in the state forests as established or changed.

The revisor shall renumber Minnesota Statutes, section 89.021, subdivision 59, as subdivision 31a, and subdivision 57 as subdivision 60.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert “changing the provisions relating to the delineation of wetland or marginal land; exempting land classification agreement lands from certain requirements;”

Page 1, line 4, after the second comma, insert “subdivision 1, and” and before the period, insert “; Minnesota Statutes 1989 Supplement, section 40.46, subdivision 2”

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 2309: A bill for an act relating to transportation; authorizing the issuance of \$32,000,000 in Minnesota state transportation bonds for the construction and reconstruction of county and city bridges; appropriating money.

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

Page 2, line 13, delete “\$25,600,000” and insert “\$18,880,000”

Page 2, line 15, delete “\$ 6,400,000” and insert “\$ 4,480,000”

Page 2, after line 15, insert:

“(3) to towns \$ 8,640,000”

Amend the title as follows:

Page 1, line 4, delete the second “and” and insert a comma

Page 1, line 5, after “city” insert “, and town”

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

Mr. Purfeerst from the Committee on Transportation, to which was referred S.F. No. 2381: A bill for an act relating to highways; substituting new Legislative Route No. 298 in the trunk highway system.

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

Page 1, line 13, delete "*and*" and insert a comma and delete "*including*"

Page 1, delete lines 14 and 15 and insert "*and the Minnesota correctional facility-Faribault.*"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred S.F. No. 1162: A bill for an act relating to drivers' licenses; providing that court administrators forward driver's license or permit applications and fees to the department of public safety by the next working day; requiring commissioner of public safety to conduct background study on applicant for school bus endorsement; amending Minnesota Statutes 1988, sections 171.06, subdivision 4; and 171.321, by adding a subdivision.

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

Page 1, line 26, before "*working*" insert "*first*"

Page 2, delete section 2

Amend the title as follows:

Page 1, line 2, delete "providing that" and insert "setting deadline for"

Page 1, line 3, after "administrators" insert "to"

Page 1, line 5, delete everything after "safety"

Page 1, delete line 6

Page 1, line 7, delete everything before the semicolon

Page 1, line 8, delete "sections" and insert "section"

Page 1, line 9, delete everything after "4" and insert a period

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

Mr. Purfeerst from the Committee on Transportation, to which was referred S.F. No. 2267: A bill for an act relating to law enforcement; barring traffic citation quotas; proposing coding for new law in Minnesota Statutes, chapter 169.

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

Page 1, delete lines 11 to 13

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1097: A bill for an act relating to health; defining the practice of traditional midwifery; providing for parental rights and informed consent disclosure statement; proposing coding for new law in Minnesota Statutes, chapter 148; repealing Minnesota Statutes 1988, sections 148.30; 148.31; and 148.32.

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

Delete everything after the enacting clause and insert:

“Section 1. [REVIEW OF THE NEED FOR REGULATION OR CREDENTIALING OF TRADITIONAL MIDWIVES.]

The commissioner of health, in consultation with the human services occupations advisory council, shall undertake a review under Minnesota Statutes, sections 214.13 and 214.141, of the need for regulation or credentialing of traditional midwives. The commissioner shall report to the legislature by December 15, 1990, on the outcome of the review, including recommendations regarding the need for legislative action.”

Delete the title and insert:

“A bill for an act relating to health; requiring the commissioner to conduct a review of the need for regulation or credentialing of traditional midwives; requiring a report.”

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2424: A bill for an act relating to insurance; life; regulating policies with accelerated benefits; modifying the application of certain provisions; prescribing a penalty; amending Minnesota Statutes 1989 Supplement, section 61A.072, subdivisions 3 and 4.

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

Page 1, line 18, after the period, insert “A supplemental contract offered under this paragraph must meet all other applicable requirements of this section.”

Pages 1 to 3, delete section 2 and insert:

“Sec. 2. Minnesota Statutes 1989 Supplement, section 61A.072, is amended by adding a subdivision to read:

Subd. 5. [EXCLUSION.] Subdivision 4 does not apply to contracts or supplemental contracts granting the right to receive accelerated benefits if (1) one of the options for payment provides for lump-sum payment; (2) no conditions or restrictions are imposed on the use of the funds by the insured; and (3) the offeree or insured is given written notice at the time the contract or supplemental contract is offered or sold that (i) Minnesota law sets minimum requirements for life insurance contracts where the right to receive accelerated benefits is contingent upon the insured receiving long-term care services, and (ii) the contract or supplemental contract

being offered or sold does not meet those minimum requirements.”

Amend the title as follows:

Page 1, delete line 6 and insert “subdivision 3, and by adding a subdivision.”

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2217: A bill for an act relating to human services; allowing for a continued level of reimbursement to a nursing home; amending Minnesota Statutes 1988, section 256B.431, by adding a subdivision.

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

Page 1, line 9, delete “any law”

Page 1, line 10, delete “or rule to the contrary” and insert “contrary provisions of chapter 256B or rules adopted under it”

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2224: A bill for an act relating to health; granting an exception to the nursing home moratorium; amending Minnesota Statutes 1989 Supplement, section 144A.071, subdivision 3.

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

Page 6, line 24, delete “separate” and delete “another building” and insert “a separate facility”

Page 6, line 25, after “that” insert “was formerly licensed as a hospital and is currently licensed as a nursing facility and that”

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1888: A bill for an act relating to human services; allowing medical assistance coverage of swing bed services to continue after June 30, 1990; repealing Laws 1989, chapter 282, article 3, section 54.

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2286: A bill for an act relating to health care; increasing the membership of the health care access commission; amending Minnesota Statutes 1989 Supplement, section 62J.02, subdivision 1.

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2216: A bill for an act relating to occupations and professions; specifying requirements for membership of the board of medical examiners; containing procedural requirements for disciplinary actions; applying reporting requirements to other entities that provide professional liability coverage to physicians; amending Minnesota Statutes 1988, sections 147.01, subdivisions 1, 3, and 4; 147.09; 147.111, subdivision 5; repealing Minnesota Statutes 1988, sections 147.171; 147.24; 147.25; 147.26; 147.27; 147.28; 147.29; 147.30; 147.31; 147.32; 147.33; and Laws 1988, chapter 557, section 6.

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

Page 3, lines 7 to 10, delete the new language

Page 3, line 11, delete the new language and strike the old language

Page 3, line 12, strike "(b)"

Page 3, line 18, strike "(c)" and insert "(b)"

Page 3, line 23, strike "(d)" and insert "(c)"

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

Mr. Dicklich from the Committee on Public Utilities and Energy, to which was referred

S.F. No. 2158: A bill for an act relating to utilities; regulating flexible gas utility rates; repealing sunset provisions relating to flexible gas utility rates; amending Minnesota Statutes 1988, section 216B.163; and Laws 1987, chapter 371, section 4.

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

Page 1, line 17, after "equivalent" insert a comma

Page 1, lines 18 to 20, reinstate the stricken language

Page 2, line 1, strike "any"

Page 2, line 2, strike everything before the comma and insert "*section 216B.03, 216B.05, 216B.06, 216B.07, or 216B.16*" and strike "is authorized to" and insert "*may*"

Page 2, line 10, strike "only" and after "tariff" insert "*only*"

Page 2, lines 11 to 14, reinstate the stricken language

Page 2, line 18, before the period, insert "*unless the customers have or can reasonably acquire the capability to bypass the gas utility's system to obtain gas from a supplier not regulated by the commission*"

Page 2, line 24, strike "shall be" and insert "*are*"

Page 2, line 29, strike "any" and strike "which"

Page 2, lines 30, 33, 35, and 36, strike "any"

Page 2, lines 31 and 32, strike "any other rates" and insert "*another rate*"

Page 2, line 34, strike "which"

Page 3, line 2, strike everything after the period

Page 3, strike lines 3 and 4

Page 3, delete lines 5 to 17 and insert:

"Subd. 4. [RATES AND TERMS OF SERVICE.] Whenever the commission authorizes a flexible tariff, it shall set the terms, and conditions of service for that tariff, ~~which shall include~~ *including*:

(1) ~~that~~ the minimum rate for the tariff, *which must* recover at least the incremental cost of providing the service;

(2) ~~that there is no upward~~ *the* maximum for the rate for the tariff; and

(3) *a requirement* that a customer who elects to take service under the flexible tariff remain on that tariff for a reasonable period of time; ~~which shall not be less than one year; and~~

(4) ~~that any customer changing from a flexible tariff to the appropriate nonflexible tariff for that class pay all costs incurred by the utility due to that change.~~

The commission may set the terms and conditions of service for a flexible tariff in a gas utility proceeding, a miscellaneous filing, or a complaint proceeding under section 216B.17."

Page 3, line 19, strike "which" and insert "*that*"

Page 3, line 24, strike ", which projection shall be used" and insert "*and use the projection*"

Page 3, line 25, delete "*methodology*" and insert "*method*"

Page 3, line 26, strike "shall" and insert "*may*"

Page 3, line 27, strike "any" and insert "*a*"

Page 4, after line 9, insert:

"Subd. 8. [STUDY AND REPORT.] *The department shall review the operation and effects of any rates implemented under this section. The review must include, at a minimum, an evaluation of the impact of flexible gas rates on alternative energy sources, including indigenous biomass energy, and the impact on the utility and its customers of setting a maximum rate for the tariff. The department shall submit its report to the legislature by January 1, 1995. The department shall assess gas utilities that utilize a flexible tariff under section 1 for the actual cost of conducting the study, not to exceed \$5,000. Each utility utilizing a flexible tariff must be assessed an equal share of the cost.*"

Page 4, after line 14, insert:

"Sec. 3. [APPROPRIATION.]

\$5,000 is appropriated from the general fund to the department of public service for the purpose of conducting the study required by section 1."

Page 4, line 16, delete the first "Section" and insert "Sections" and delete the first "is" and insert "and 3 are"

Renumber the sections in sequence

Amend the title as follows:

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

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

Mr. Dicklich from the Committee on Public Utilities and Energy, to which was referred

S.F. No. 2302: A bill for an act relating to telephone services; requiring local location identification data bases for 911 systems; classifying data provided for data bases; amending Minnesota Statutes 1988, sections 403.02, by adding a subdivision; and 403.07, by adding subdivisions; Minnesota Statutes 1989 Supplement, section 403.11, subdivision 1.

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

Page 1, line 24, delete the second "The"

Page 1, delete lines 25 to 27

Page 2, delete lines 1 to 6

Page 2, line 7, delete everything before the second "Information"

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

Mr. Dicklich from the Committee on Public Utilities and Energy, to which was referred

S.F. No. 2488: A bill for an act relating to education; establishing a special class of local telephone service provided to schools; proposing monthly rates; providing a levy; amending Minnesota Statutes 1988, sections 237.06; and 275.125, by adding a subdivision.

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

Page 2, delete lines 9 to 12

Page 2, after line 18, insert:

"Sec. 3. [DEADLINE FOR SUBMISSION.]

The service required by section 1, subdivision 2, must be made available and proposed rates must be developed by each telephone company and independent telephone company for submission to the public utilities commission for its approval by January 1, 1991."

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

Mr. Hughes from the Committee on Elections and Ethics, to which was referred

S.F. No. 2229: A bill for an act relating to elections; clarifying language and changing procedures for voter registration, absentee voters, and polling place rosters; defining certain terms; changing certain time limits; amending Minnesota Statutes 1988, sections 200.02, by adding a subdivision; 201.022; 201.023; 201.054, subdivision 1; 201.061, subdivision 1; 201.071, subdivisions 3 and 4; 201.081; 201.091; 201.12, subdivision 2; 201.121, subdivisions 1 and 2; 201.171; 201.211; 201.221; 201.27, subdivision 1; 203B.09; 203B.12, subdivisions 2 and 3; 204B.28, subdivision 2; 204B.45, subdivision 2; 204C.10; 204C.12, subdivision 4; and 204C.27; Minnesota Statutes 1989 Supplement, section 203B.13, subdivision 3a; proposing coding for new law in Minnesota Statutes, chapter 201; and repealing Minnesota Statutes 1988, sections 201.061, subdivision 2; 201.071, subdivisions 5 and 6; and 201.091, subdivision 3.

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

Page 14, after line 6, insert:

"Sec. 18. Minnesota Statutes 1989 Supplement, section 202A.13, is amended to read:

202A.13 [COMMITTEES, CONVENTIONS.]

The rules of each major political party shall provide that for each congressional district and each county or legislative district a convention shall be held at least once every state general election year. Each major political party shall also provide for each congressional district and each county or legislative district an executive committee consisting of a chair and such other officers as may be necessary. The party rules may provide for only one executive committee and one convention where any county and congressional district have the same territorial limits.

A communicatively impaired delegate or alternate who needs interpreter services at a county, legislative district, ~~or~~ congressional district, *or state* convention shall so notify the executive committee of the major political party unit whose convention the delegate or alternate plans to attend. Written notice must be given by certified mail to the executive committee at least 30 days before the convention date. The major political party, not later than 14 days before the convention date, shall secure the services of one or more interpreters if available and shall assume responsibility for the cost of the services. The state central committee of the major political party shall determine the process for reimbursing interpreters.

A visually impaired delegate or alternate to a county, legislative district, ~~or~~ congressional district, *or state* convention may notify the executive committee of the major political party unit that the delegate or alternate requires convention materials in audio tape, Braille, or large print format. Upon receiving the request, the executive committee shall provide all official written convention materials as soon as they are available, so that the visually impaired individual may have them converted to audio tape, Braille, or large print format, prior to the convention.

Sec. 19. Minnesota Statutes 1988, section 203B.04, is amended by adding a subdivision to read:

Subd. 5. [PERMANENT ILLNESS OR DISABILITY.] An eligible voter

who reasonably expects to be permanently unable to go to the polling place on election day because of illness or disability may apply to a county auditor or municipal clerk under this section to automatically receive an absentee ballot application before each election and to have the status as a permanent absentee voter indicated on the voter's registration record. The secretary of state shall adopt rules governing procedures under this subdivision."

Page 19, after line 21, insert:

"Sec. 29. Minnesota Statutes 1988, section 367.03, subdivision 1, is amended to read:

Subdivision 1. [OFFICERS, TERMS.] Except in towns operating under option A, there shall be elected in each town three supervisors as provided in this section. Where a new town has been or may be organized and supervisors have been or may be elected for such town at a town meeting prior to the annual town election, such supervisors shall serve only until the next annual town election at which election three supervisors shall be elected, one for three years, one for two years, and one for one year, so that the term of one shall expire each year. The number of years for which each is elected shall be indicated on the ballot. *When two supervisors are to be elected for three-year terms under option A, a candidate shall indicate on the affidavit of candidacy which of the two offices the candidate is filing for.* At all other annual town elections one supervisor shall be elected for three years to fill the place of the one whose term expires at that time. Except in towns operating under either option B or option D, or both, there shall be elected at the annual town election held in even-numbered years one town clerk, and at the annual town election held in odd-numbered years one town treasurer. The clerk and treasurer each shall serve for a term of two years and until their successors are elected and qualified.

Sec. 30. Minnesota Statutes 1988, section 367.33, subdivision 4, is amended to read:

Subd. 4. [TERMS.] If the additional supervisors are elected at a special election, they shall serve only until the next annual town election, at which the additional members shall stand for election, one for a term of two years and one for a term of three years. ~~The candidate receiving the highest number of votes shall be elected for the longer term. If the additional supervisors are elected at an annual election, one shall serve for a term of two years and the other for a term of three years with the candidate receiving the highest number of votes being elected for the longer term.~~ *A candidate for one of the additional supervisor positions shall specify in the affidavit of candidacy that the candidate is filing for either the two-year or the three-year term.*

Sec. 31. [REPORT TO THE LEGISLATURE.]

The secretary of state shall evaluate the operation of section 19 and shall report to the chairs of the general legislation committee in the house of representatives and the elections and ethics committee in the senate by February 1, 1992."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the second semicolon, insert "providing for certain services to disabled persons at state political party conventions; providing

for persons who are permanently ill or disabled to automatically receive absentee ballot applications before each election; modifying election procedures for town supervisors; requiring a report;”

Page 1, line 11, after the first semicolon, insert “203B.04, by adding a subdivision;”

Page 1, line 13, delete “and” and after the fourth semicolon, insert “367.03, subdivision 1; 367.33, subdivision 4;”

Page 1, line 14, delete “section” and insert “sections 202A.13;”

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

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

S.F. No. 2489: A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited land in Koochiching and Lincoln counties; authorizing the private sale of certain state lands in Scott, Hubbard, and Fillmore counties; appropriating proceeds of the Scott county conveyance; authorizing the sale of certain surplus land in Lake county; authorizing the sale of certain trust fund land in St. Louis county; authorizing the sale of surplus land in Grant county for recreational purposes.

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

Page 4, line 14, after the period, insert “*The land may not be conveyed without approval by law.*”

Page 9, after line 23, insert:

“Sec. 10. [WASHINGTON COUNTY; WILDLIFE LANDS.]

(a) Notwithstanding the surplus land provisions and public sale provisions of Minnesota Statutes, sections 94.09 to 94.16, the commissioner of natural resources may sell the land described in this section to the independent school district No. 834 for the consideration prescribed in paragraph (b). The conveyance shall be in a form approved by the attorney general and shall be subject to a conservation easement in favor of the state on the wetlands.

(b) The consideration to be paid by independent school district No. 834 shall be negotiated by the commissioner of natural resources and independent school district No. 834. The commissioner of natural resources may only approve the consideration in clause (1) or clause (2). The consideration for the land shall be:

(1) the appraised market value plus up to 15 percent to cover administrative and professional service costs to acquire replacement wildlife lands to be deposited in the wildlife acquisition account under Minnesota Statutes, section 97A.071, and to be appropriated to the commissioner of natural resources for wildlife land acquisition purposes in Washington county; or

(2) transfer to the state of wildlife lands approved by the commissioner of natural resources equal in appraised value to the land conveyed to the independent school district No. 834.

(c) *The land that may be conveyed is described as:*

The Southwest Quarter of the Southwest Quarter, the East Half of the Southwest Quarter, and that part of the Southeast Quarter lying westerly of Washington County Road 67 of Section 4, Township 29 North, Range 20 West."

Page 9, line 25, delete "9" and insert "10"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, before the period, insert "; authorizing the sale of certain wildlife land in Washington county to independent school district No. 834"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 2290: A bill for an act relating to drivers' licenses; providing for living will designation on driver's license; amending Minnesota Statutes 1988, section 171.07, by adding a subdivision; Minnesota Statutes 1989 Supplement, section 171.06, subdivision 3.

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

Page 1, lines 11, 14, 22, and 24, strike "shall" and insert "must"

Page 1, line 26, delete "shall" and insert "must"

Page 2, line 3, strike "shall" and insert "must"

Page 2, line 17, delete "fees" and insert "fee"

Page 2, line 18, after "issue" insert ", renew, or reissue"

Page 2, line 21, before "The" insert "On payment of the required fee,"

Page 2, lines 22 and 23, delete "on payment of the required fee and at the request of" and insert "if requested by"

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

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 2395: A bill for an act relating to unemployment compensation; making various technical changes; regulating eligibility of conservation corps members and entertainers; increasing the income disregard; regulating eligibility for persons receiving holiday pay; regulating administrative hearings; providing for data sharing; appropriating certain federal money; amending Minnesota Statutes 1988, sections 268.08, subdivision 3; 268.10, subdivision 9; and 268.12, subdivision 13; Minnesota Statutes 1989 Supplement, sections 84.965, subdivision 2; 84.98, subdivision 5; 268.04, subdivision 12; 268.07, subdivision 2; 268.12, subdivision 12; 270B.14, subdivisions 2 and 8; and 290.92, subdivision 21.

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

Page 26, delete lines 12 to 18 and insert:

“(a) \$200,000 of funds made available to the state under United States Code, title 42, section 1103, is appropriated from the unemployment compensation fund to the commissioner of jobs and training and is available for obligation until two years after the date of enactment of this section for use in the procurement of electronic data processing equipment by the department of jobs and training for administration of the unemployment compensation program and the system of public employment offices.

(b) The amount that may be obligated during a fiscal year is limited as required by United States Code, title 42, section 1104(d)(2)(D).”

And when so amended the bill do pass. Mr. Merriam questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F. No. 2075: A bill for an act relating to public purchasing; establishing programs for purchasing from certain small targeted group businesses and businesses located in economically disadvantaged areas; requiring prompt payment to subcontractors; providing penalties; amending Minnesota Statutes 1988, sections 16A.124, subdivision 1; 16B.07, by adding a subdivision; 16B.20, subdivisions 1 and 3; 161.321, subdivisions 1, 4, 5, and by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 16B.19; 16B.20, subdivision 2; 16B.21; 16B.22; 16B.226; 116J.68; 136.27; 136.72; 137.31, subdivision 6; 161.321, subdivisions 2, 3, and 6; 161.3211; 241.27, subdivision 2; 471.345, subdivision 8; and 473.142; Laws 1989, chapter 352, section 25; proposing coding for new law in Minnesota Statutes, chapters 16A; 16B; and 137; repealing Minnesota Statutes 1989 Supplement, sections 16B.189; 137.31, subdivision 3a; and 645.445, subdivision 5.

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

Page 1, line 30, delete “*must*” and insert “*shall*”

Page 4, line 10, after “*businesses*” insert “*that are majority*” and after “*owned*” insert “*and operated*”

Page 4, lines 18 and 20, delete “*must*” and insert “*shall*”

Page 5, line 1, delete “*commission*” and insert “*commissioner*”

Page 5, line 5, delete “*in excess of \$200,000*”

Page 5, delete lines 8 to 16

Page 5, line 17, delete “*award.*” and delete “*must*” and insert “*shall*”

Page 9, line 9, strike “*A*” and insert “*The*”

Page 9, line 10, strike “*is created. The council*”

Page 9, line 12, strike “*shall*” and insert “*must*”

Page 10, line 6, strike “*shall*” and insert “*must*”

Page 11, line 6, strike “*shall*” and insert “*must*”

- Page 13, line 7, strike "shall" and insert "*must*"
- Page 13, line 15, delete "*felony*" and insert "*misdemeanor*"
- Page 13, line 25, strike "The bureau shall:" and insert "[DUTIES.]"
- Page 13, line 26, after "(a)" insert "*The bureau shall*"
- Page 13, line 29, strike the semicolon and insert a period
- Page 13, line 30, after "(b)" insert "*The bureau shall*"
- Page 14, line 1, strike the semicolon and insert a period
- Page 14, line 2, after "(c)" insert "*The bureau shall*"
- Page 14, line 6, strike the semicolon and insert a period
- Page 14, line 7, after "(d)" insert "*The bureau shall*"
- Page 14, line 9, strike the semicolon and insert a period
- Page 14, line 10, after "(e)" insert "*The bureau shall*"
- Page 14, line 13, strike the semicolon and insert a period
- Page 14, line 14, after "(f)" insert "*The bureau shall*"
- Page 14, line 19, strike the semicolon and insert a period
- Page 14, line 20, after "(g)" insert "*The bureau shall*"
- Page 14, line 26, strike the semicolon and insert a period
- Page 14, line 27, after "(h)" insert "*The bureau shall*"
- Page 14, line 34, strike the semicolon and insert a period
- Page 14, line 35, after "(i)" insert "*The bureau shall*"
- Page 14, line 36, strike the semicolon and insert a period
- Page 15, line 1, after "(j)" insert "*The bureau shall*"
- Page 15, line 3, strike the semicolon and insert a period
- Page 15, line 4, after "(k)" insert "*The bureau shall*"
- Page 15, line 6, strike the semicolon and insert a period
- Page 15, line 7, after "(l)" insert "*The bureau shall*"
- Page 15, line 11, strike the semicolon and insert a period
- Page 15, line 12, after "(m)" insert "*The bureau shall*"
- Page 15, line 14, strike the semicolon and insert a period
- Page 15, line 15, after "(n)" insert "*The bureau shall*"
- Page 15, line 19, strike the semicolon and insert a period
- Page 15, line 20, after "(o)" insert "*The bureau shall*"
- Page 15, line 29, strike "; and" and insert a period
- Page 15, line 30, after "(p)" insert "*The bureau shall*"
- Page 16, line 2, strike "must" and insert "*shall*"
- Page 16, line 32, strike "shall" and insert "*must*"
- Page 17, line 33, delete "*in excess of \$200,000*"

- Page 17, line 35, delete "*Each contractor*"
- Page 17, delete line 36
- Page 18, delete lines 1 to 7
- Page 18, line 8, delete everything before "*The*"
- Page 18, lines 9 and 35, delete "*must*" and insert "*shall*"
- Page 20, line 14, delete "*in excess of \$200,000*"
- Page 20, line 16, delete "*Each contractor*"
- Page 20, delete lines 17 to 24
- Page 20, line 25, delete everything before "*The*"
- Page 20, line 26, delete "*must*" and insert "*shall*"
- Page 21, lines 25, 32, and 34, strike "pursuant to" and insert "*under*"
- Page 23, lines 18 and 19, strike "There is established" and insert "*The Minnesota correctional industries revolving fund is a fund*"
- Page 23, line 20, strike everything after "corrections"
- Page 23, line 21, strike everything before "to" and insert a comma and strike "shall" and insert "*must*"
- Page 23, line 24, strike "heretofore"
- Page 23, line 26, strike "shall" and insert "*must*"
- Page 23, lines 27 and 28, strike "now or hereafter established"
- Page 24, lines 5 and 10, strike "shall" and insert "*must*"
- Page 24, line 7, strike "hereinabove" and before the period, insert "*in this subdivision*"
- Page 24, line 15, strike "shall" and strike "herein"
- Page 24, lines 22 and 31, strike "shall" and insert "*may*"
- Page 26, line 22, delete "*in excess of \$200,000*"
- Page 26, line 25, delete everything after the period
- Page 26, delete lines 26 to 33
- Page 26, line 34, delete everything before "*The*"
- Page 26, line 35, delete "*must*" and insert "*shall*"
- Page 28, line 9, delete "*shall study*"
- Page 28, line 10, delete everything after the period
- Page 28, delete line 11
- Page 28, delete lines 15 to 19
- Page 28, line 22, delete everything after the period
- Page 28, delete lines 23 to 29
- Page 29, line 15, before the period, insert ", and apply only to contracts for which notice of invitation to bid or requests for proposals are issued after that date"

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F. No. 1823: A bill for an act relating to the capitol area; providing for a Roy Wilkins memorial in the capitol area; appropriating money.

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

Page 2, line 30, delete everything after the period

Page 2, delete line 31

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1854: A bill for an act relating to government data practices; establishing procedures for computerized comparisons of data; requiring matching agreements; providing for contesting of data; requiring reviews and reports; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 13B.

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

Delete everything after the enacting clause and insert:

“Section 1. [13B.01] [DEFINITIONS.]

Subdivision 1. [GENERAL.] For purposes of this chapter, the following terms have the meanings given them.

Subd. 2. [BENEFIT PROGRAM.] “Benefit program” means a program administered by a public entity or agent of a public entity that provides cash or in-kind assistance in the form of payments, grants, subsidies, loans, loan guarantees, or any other form of financial assistance to individuals.

Subd. 3. [FRONT END VERIFICATION.] “Front end verification” means a computerized procedure operated by a public entity that checks the accuracy and truthfulness of data provided by an individual as part of an application with the public entity.

Subd. 4. [GOVERNMENT DATA.] “Government data” has the meaning given the term in section 13.02, subdivision 7.

Subd. 5. [INDIVIDUAL.] “Individual” has the meaning given the term in section 13.02, subdivision 8.

Subd. 6. [LAW ENFORCEMENT AGENCY.] “Law enforcement agency” means an agency of the state, a political subdivision, or the University of Minnesota with the power to conduct criminal investigations or make arrests or an attorney authorized by law to prosecute or participate in the prosecution of criminal offenses.

Subd. 7. [MATCHING PROGRAM.] “Matching program” means a computerized comparison of government data to government or nongovernment data for use by a public entity for purposes of determining the eligibility

of individuals for a license, privilege, benefit program, or employment. Matching program does not include a comparison performed:

(1) by a public entity if all data used in the comparison are government data of one responsible authority within the public entity, other than personnel or payroll data;

(2) by a law enforcement agency after initiation of a law enforcement investigation for gathering evidence for a law enforcement proceeding against an identified individual;

(3) to produce aggregate statistical data without data that identify individuals in the final product; or

(4) to support a research or statistical project, the specific data of which may not be used to make decisions concerning the rights, benefits, or privileges of specific individuals.

Subd. 8. [PUBLIC ENTITY.] "Public entity" means a state agency, statewide system, or political subdivision as those terms are defined in section 13.02.

Subd. 9. [RESPONSIBLE AUTHORITY.] "Responsible authority" has the meaning given in section 13.02, subdivision 16.

Sec. 2. [13B.02] [MATCHING AGREEMENTS.]

Before participating in a matching program, the responsible authority in each public entity that participates in the matching program shall enter into a written agreement with the other person specifying:

(1) the rationale, purpose, and legal authority for conducting the program;

(2) a description of the data that will be matched, including each data element that will be used, the approximate number of records that will be matched, and the projected starting and completion dates of the matching program;

(3) a description of the cost benefit of the program;

(4) procedures for retention and destruction of data created by the matching program consistent with section 138.17;

(5) procedures for ensuring the security of the data;

(6) prohibitions on duplication and redisclosure of data by the person who receives the data, unless authorized by the public entity that releases the data;

(7) procedures governing the use of the data provided by the public entity for the matching program, including procedures governing return to the public entity or destruction of the data consistent with section 138.17; and

(8) information on assessments that have been made on the accuracy of the data that will be used in the matching program.

Sec. 3. [13B.03] [FRONT END VERIFICATION AND MATCHING PROGRAMS; RIGHTS OF SUBJECTS.]

A public entity may not suspend, terminate, reduce, or make a final denial of employment or a license or other privilege or of assistance under a benefit program, or take other adverse action against an individual as a result of data produced by a matching program or front end verification,

until the entity has independently verified the data. If independent verification shows that the data are correct, the entity shall give the individual written notice of its findings and an opportunity to contest the findings. The requirements of this section may be satisfied by verification, notice, hearing, and appeal rights governing the particular benefit program or employment or licensing procedure.

Sec. 4. [13B.04] [LIMITS ON PARTICIPATION IN MATCHING PROGRAMS.]

A public entity may not participate in a matching program if the public entity has reason to believe that the requirements of section 3 and any matching agreement entered into under section 2 are not being met by the person that receives the data.

Sec. 5. [13B.05] [REVIEW; REPORT.]

Subdivision 1. [REVIEW.] A responsible authority shall review all recurring matching programs in which the responsible authority has participated during the calendar year and determine whether the program has produced a positive cost benefit.

Subd. 2. [REPORT.] A responsible authority that participates in a matching program shall prepare a report describing matching programs in which the responsible authority has participated during the previous calendar year. The report must be included in the public document prepared under section 13.05, subdivision 1, and in a state agency's description of its information systems prepared under section 3.3026, subdivision 3.

Sec. 6. [13B.06] [CIVIL REMEDIES AND PENALTIES.]

Sections 13.08 and 13.09 apply to violations of section 2."

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1934: A bill for an act relating to human services; modifying requirements for the administration of neuroleptic medication to committed persons; amending Minnesota Statutes 1988, section 253B.17, subdivision 1; Minnesota Statutes 1989 Supplement, section 253B.03, subdivision 6a.

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

Page 2, delete lines 9 to 13 and insert:

"(e) A neuroleptic medication may be administered without judicial review and without consent in an emergency to protect the patient or others from serious immediate harm for so long as the emergency continues to exist. The treatment facility shall document the emergency in the patient's medical record in specific behavioral terms."

Page 2, after line 24, insert:

"(h) A medical director or patient may petition the committing court, or the court to which venue has been transferred, for a hearing concerning the administration of neuroleptic medication. A hearing may also be held pursuant to section 253B.08, 253B.09, 253B.12, or 253B.18. The hearing concerning the administration of neuroleptic medication must be held within

14 days from the date of the filing of the petition. The court may extend the time for hearing up to an additional 15 days for good cause shown."

Page 3, line 3, delete "The"

Page 3, delete lines 4 to 7

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

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 1150: A bill for an act relating to creditors remedies; regulating executions and garnishments; amending Minnesota Statutes 1988, section 550.142; proposing coding for new law in Minnesota Statutes, chapters 550 and 557; proposing coding for new law as Minnesota Statutes, chapter 551; repealing Minnesota Statutes 1988, sections 550.041; 550.05; 550.14; 550.141; 571.41; 571.42; 571.43; 571.44; 571.45; 571.46; 571.471; 571.495; 571.50; 571.51; 571.52; 571.53; 571.54; 571.55; 571.56; 571.57; 571.58; 571.59; 571.60; 571.61; 571.62; 571.63; 571.64; 571.65; 571.66; 571.67; 571.68; and 571.69.

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

Page 86, line 24, delete "\$5" and insert "\$15"

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

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 1674: A bill for an act relating to agriculture; providing grasshopper control; authorizing the commissioner to exempt certain lands from grasshopper control; exempting certain persons from losses relating to grasshopper control; clarifying when public utilities are subject to grasshopper control; providing for notices for control and approval of grasshopper control costs; authorizing levies; appropriating money; amending Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 18; repealing Minnesota Statutes 1989 Supplement, section 18.0226.

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

Page 4, line 16, after "conducted" insert "with due care"

Page 4, line 23, delete "if" and insert "unless"

Page 4, line 24, delete "not used available methods" and insert "used methods prescribed by the commissioner"

Page 4, line 26, delete "not made agreements with landowners" and insert "made an agreement with the owner of the adjoining property"

Page 4, line 27, delete "them" and insert "the owner"

Page 4, delete lines 34 to 36

Page 5, delete lines 1 to 7

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2061: A bill for an act relating to privacy of communications; including cordless telephones in the privacy of communications act; amending Minnesota Statutes 1988, section 626A.01, subdivisions 3 and 14.

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

Page 2, after line 9, insert:

“Sec. 3. Minnesota Statutes 1988, section 626A.02, subdivision 2, is amended to read:

Subd. 2. [EXEMPTIONS.] (a) It is not unlawful under sections 626A.01 to 626A.23 for an operator of a switchboard, or an officer, employee, or agent of a provider of wire or electronic communication service, whose facilities are used in the transmission of a wire communication, to intercept, disclose, or use that communication in the normal course of employment while engaged in any activity which is a necessary incident to the rendition of service or to the protection of the rights or property of the provider of that service, except that a provider of wire communication service to the public shall not utilize service observing or random monitoring except for mechanical or service quality control checks.

(b) It is not unlawful under sections 626A.01 to 626A.23 for an officer, employee, or agent of the Federal Communications Commission, in the normal course of employment and in discharge of the monitoring responsibilities exercised by the commission in the enforcement of chapter 5 of title 47 of the United States Code, to intercept a wire or electronic communication, or oral communication transmitted by radio, or to disclose or use the information thereby obtained.

(c) It is not unlawful under sections 626A.01 to 626A.23 for a person acting under color of law to intercept a wire, electronic, or oral communication, where such person is a party to the communication or one of the parties to the communication has given prior consent to such interception.

(d) It is not unlawful under sections 626A.01 to 626A.23 for a person not acting under color of law to intercept a wire, electronic, or oral communication where such person is a party to the communication or where one of the parties to the communication has given prior consent to such interception unless such communication is intercepted for the purpose of committing any criminal or tortious act in violation of the constitution or laws of the United States or of any state.

(e) It is not a violation of sections 626A.01 to 626A.23 or sections 626A.26 to 626A.34 for a person:

(1) to intercept or access an electronic communication made through an electronic communication system that is configured so that the electronic communication is readily accessible to the general public;

(2) to intercept any radio communication that is transmitted:

(i) by a station for the use of the general public, or that relates to ships, aircraft, vehicles, or persons in distress;

(ii) by a governmental, law enforcement, civil defense, private land mobile, or public safety communications system, including police and fire, readily accessible to the general public;

(iii) by a station operating on an authorized frequency within the bands allocated to the amateur, citizens band, or general mobile radio services; or

(iv) by a marine or aeronautical communications system;

(3) to engage in any conduct which:

(i) is prohibited by section 553 of title 47 of the United States Code; or

(ii) is excepted from the application of section 605(a) of title 47 of the United States Code by section 605(b) of that title;

(4) to intercept a wire or electronic communication the transmission of which is causing harmful interference to any lawfully operating station or consumer electronic equipment, to the extent necessary to identify the source of such interference; or

(5) for other users of the same frequency to intercept any radio communication made through a system that utilizes frequencies monitored by individuals engaged in the provision or the use of such system, if the communication is not scrambled or encrypted.

(f) It is not unlawful under sections 626A.01 to 626A.23:

(1) to use a pen register or a trap and trace device as those terms are defined by section 626A.39; or

(2) for a provider of electronic communication service to record the fact that a wire or electronic communication was initiated or completed in order to protect the provider, another provider furnishing service toward the completion of the wire or electronic communication, or a user of that service, from fraudulent, unlawful, or abusive use of the service.

(g) It is not unlawful under sections 626A.01 to 626A.23 for a person not acting under color of law to intercept the radio portion of a cordless telephone communication that is transmitted between the cordless telephone handset and the base unit if the initial interception of the communication was obtained inadvertently.

Sec. 4. Minnesota Statutes 1988, section 626A.02, subdivision 4, is amended to read:

Subd. 4. [PENALTIES.] (a) Except as provided in paragraph (b) or in subdivision 5, whoever violates subdivision 1 shall be fined not more than \$20,000 or imprisoned not more than five years, or both.

(b) If the offense is a first offense under paragraph (a) and is not for a tortious or illegal purpose or for purposes of direct or indirect commercial advantage or private commercial gain, and the wire or electronic communication with respect to which the offense under paragraph (a) is a radio communication that is not scrambled or encrypted, then:

(1) if the communication is not the radio portion of a cellular telephone communication, a public land mobile radio service communication, a cordless telephone communication transmitted between the cordless telephone handset and the base unit, or a paging service communication, and the conduct is not that described in subdivision 5, the offender shall be fined not more than \$3,000 or imprisoned not more than one year, or both; and

(2) if the communication is the radio portion of a cellular telephone

communication, a public land mobile radio service communication, a cordless telephone communication transmitted between the cordless telephone handset and the base unit, or a paging service communication, the offender shall be fined not more than \$500.

(c) Conduct otherwise an offense under this subdivision that consists of or relates to the interception of a satellite transmission that is not encrypted or scrambled and that is transmitted:

(1) to a broadcasting station for purposes of retransmission to the general public; or

(2) as an audio subcarrier intended for redistribution to facilities open to the public, but not including data transmissions or telephone calls,

is not an offense under this subdivision unless the conduct is for the purposes of direct or indirect commercial advantage or private financial gain.”

Amend the title as follows:

Page 1, line 4, delete “section” and insert “sections”

Page 1, line 5, before the period, insert “; and 626A.02, subdivisions 2 and 4”

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

Mrs. Lantry from the Committee on General Legislation and Public Gaming, to which was referred

S.F. No. 1890: A bill for an act relating to historical interpretive centers; defining the status of Farmamerica in Waseca county.

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 2213: A bill for an act relating to traffic regulations; regulating wheel flaps and covered loads; imposing a penalty; amending Minnesota Statutes 1988, sections 169.733; and 169.81, subdivision 5, and by adding a subdivision.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 169.733, is amended to read:

169.733 [WHEEL FLAPS ON TRUCKS AND TRAILERS.]

Subdivision 1. [VEHICLES GENERALLY.] Every truck, trailer, semi-trailer, pole trailer, and rear-end dump truck, excepting rear-end dump farm trucks and military vehicles of the United States, shall be provided with wheel flaps or other suitable protection above and behind the rearmost wheels of the vehicle or combination of vehicles to prevent, as far as practicable, such wheels from throwing dirt, water, or other materials on the windshields of vehicles which follow. Such flaps or protectors shall be

at least as wide as the tires they are protecting and shall have a ground clearance of not more than one-fifth of the horizontal distance from the center of the rearmost axle to the flap under any conditions of loading or operation of the motor vehicle.

Subd. 2. [VEHICLE WITH CONVEYOR BELT.] ~~Provided that in the ease of~~ For a dump truck or truck with a rigid box fastened to its frame and having a conveyor belt or chain in the bottom of the vehicle which moves the cargo to the rear end of the vehicle, the flaps shall be mounted as far to the rear of the vehicle as practicable and shall have a ground clearance of not more than 18 inches when the vehicle is loaded.

Subd. 3. [BOTTOM-DUMP VEHICLES.] A bottom-dump cargo vehicle transporting sand, gravel, aggregate, dirt, lime rock, silica, or similar material must be equipped with flaps that are mounted to the rear of the axles, cover the entire width of the vehicle, and have a ground clearance of six inches or less when the vehicle is fully loaded.

Subd. 4. [ALTERNATIVE REQUIREMENTS.] If the motor vehicle is so designed and constructed that the above requirements are accomplished by means of body construction or other means of enclosure, then no such protectors or flaps shall be required.

Subd. 5. [EXTENDED FLAPS.] If the rear wheels are not covered at the top by fenders, body or other parts of the vehicle, the flap or other protective means shall be extended at least to a point directly above the center of the rearmost axle.

Subd. 6. [LAMPS OR WIRING.] Lamps or wiring shall not be attached to fender flaps.

Sec. 2. Minnesota Statutes 1988, section 169.81, subdivision 5, is amended to read:

Subd. 5. [MANNER OF LOADING.] No vehicle shall be driven or moved on any highway unless such vehicle is so constructed, loaded, or the load securely covered as to prevent any of its load from dropping, sifting, leaking, blowing, or otherwise escaping therefrom, except that sand may be dropped for the purpose of securing traction, or water or other substances may be sprinkled on a roadway in cleaning or maintaining such roadway. This subdivision shall not apply to motor vehicles operated by a farmer or the farmer's agent when transporting produce ~~the farmer has produced~~ such as small grains, shelled corn, soybeans, or other farm produce of a size and density not likely to cause injury to persons or damage to property on escaping in small amounts from a vehicle.

Sec. 3. Minnesota Statutes 1988, section 169.81, is amended by adding a subdivision to read:

Subd. 5b. [SECURING OF LOADS; EXCEPTIONS.] (a) The driver of a vehicle transporting sand, gravel, aggregate, dirt, lime rock, silica, or similar material shall ensure that the cargo compartment of the vehicle is securely covered if:

(1) the vertical distance from the top of an exterior wall of the cargo compartment to the load, when measured downward along the inside surface of the wall, is less than six inches; or

(2) the horizontal distance from the top of an exterior wall of the cargo compartment to the load is less than two feet.

(b) The driver shall not operate a vehicle to transport sand, gravel, aggregate, dirt, lime rock, silica, or similar material in or on any part of the vehicle other than in the cargo container. The driver shall clean the vehicle of loose sand, gravel, aggregate, dirt, lime rock, silica, or similar material before the vehicle is moved on a road, street, or highway following loading or unloading.

(c) A driver of a vehicle used to transport garbage, rubbish, trash, debris, or similar material is not required to cover the transported material as long as (1) the vehicle is being operated at a speed less than 30 miles per hour, (2) the vehicle is not being operated on an interstate highway, and (3) no part of the load escapes from the vehicle. A driver shall immediately retrieve material that escapes from the vehicle, when safe to do so."

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

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

H.F. No. 1859 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1859	1806				

and that the above Senate File be indefinitely postponed.

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

Mr. Bertram from the Committee on Veterans and Military Affairs, to which were referred the following appointments as reported in the Journal for February 22, 1990:

MINNESOTA VETERANS HOMES BOARD OF DIRECTORS

Harvey Charles Aaron
Robert Hansen

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mrs. Lantry from the Committee on General Legislation and Public Gaming, to which was referred

S.F. No. 2455: A bill for an act relating to cemeteries; allowing transfer of certain cemetery property to a religious corporation; amending Minnesota Statutes 1988, section 306.02, by adding a subdivision.

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

Page 1, line 10, delete “covered” and insert “governed” and delete “section” and insert “chapter”

Page 1, line 14, delete “any”

Page 1, line 16, delete the first “that” and insert “the” and delete “hold that” and insert “use the”

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

Mrs. Lantry from the Committee on General Legislation and Public Gaming, to which was referred

H.F. No. 1919: A bill for an act relating to ethnic Minnesotans; designating Ethnic American Day; proposing coding for new law in Minnesota Statutes, chapter 10.

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

Page 1, line 8, delete “including” and insert “from”

Page 1, line 9, delete “, and” and insert “to other”

Page 1, line 10, after “who” insert “also”

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

Mrs. Lantry from the Committee on General Legislation and Public Gaming, to which was referred

S.F. No. 1968: A bill for an act relating to pet or companion animals; permitting restrictions to be imposed on persons convicted of committing certain crimes; amending Minnesota Statutes 1988, section 343.21, by adding a subdivision.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 343.21, is amended by adding a subdivision to read:

Subd. 10. [RESTRICTIONS.] If a person is convicted of violating this section, the court may require that a pet or companion animal, as defined in section 346.36, subdivision 6, that is in the custody of the person must be turned over to a peace officer or other appropriate officer or agent if the court determines that the person is unable or unfit to provide adequately for the animal. If the evidence indicates lack of proper and reasonable care of the animal, the burden is on the person to affirmatively demonstrate by clear and convincing evidence that the person is able and fit to have custody of and provide adequately for the animal. The court may limit the person's further possession or custody of the animal and other pet or companion animals, and may impose other conditions the court considers appropriate, including, but not limited to:

(1) imposing a probation period during which the person may not have ownership, custody, or control of a pet or companion animal;

(2) requiring periodic visits of the person by an animal control officer or agent appointed pursuant to section 343.01, subdivision 1;

(3) requiring performance by the person of community service in a humane facility; and

(4) requiring the person to receive behavioral counseling.

Sec. 2. [EFFECTIVE DATE.]

This act is effective the day following final enactment.

Delete the title and insert:

"A bill for an act relating to pet or companion animals; permitting restrictions to be imposed on persons convicted of mistreating animals; amending Minnesota Statutes 1988, section 343.21, by adding a subdivision."

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

Mrs. Lantry from the Committee on General Legislation and Public Gaming, to which was referred

S.F. No. 1669: A resolution memorializing the Congress of the United States to enact legislation proposing to the states an amendment to the United States Constitution that permits the United States and the several states to prohibit the desecration of the American flag.

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

Page 2, line 13, after the semicolon, insert "and"

Page 2, delete lines 14 to 27 and insert:

"WHEREAS, under Article V of the Constitution of the United States, amendments to the United States Constitution may be proposed by the Congress whenever two-thirds of both houses deem it necessary; NOW, THEREFORE,

BE IT RESOLVED by the Legislature of the State of Minnesota that it proposes to the Congress of the United States that procedures be instituted in the Congress to add a new Article to the Constitution of the United States, and that the Legislature of the State of Minnesota requests the Congress to prepare and submit to the several states an amendment to the Constitution of the United States permitting the United States and the several states to enact laws prohibiting the desecration of the American flag.

BE IT FURTHER RESOLVED that the legislatures of each of the several states comprising the United States apply to the Congress requesting the enactment of an appropriate amendment to the United States Constitution.

BE IT FURTHER RESOLVED that the Secretary of State of Minnesota shall transmit enrolled copies of this memorial to the Speaker and the Chief Clerk of the United States House of Representatives, the President and the Secretary of the United States Senate, the presiding officers of both houses of the legislature of each of the other States in the Union, and to Minnesota's Senators and Representatives in Congress."

Delete the title and insert:

“A resolution memorializing the Congress of the United States to propose an amendment to the United States Constitution to permit the United States and the several states to prohibit the desecration of the American flag.”

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 2354: A bill for an act relating to education; allowing pupils of at least age 16 a greater range of programs to attend under the high school graduation incentives and private alternative school programs; amending Minnesota Statutes 1989 Supplement, sections 126.22, subdivision 3; and 126.23.

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

Page 2, line 3, delete “and” and insert a comma

Page 2, line 4, after “(c)” insert “, and who has been enrolled only in a public school, if the pupil has been enrolled in any school, during the year immediately before transferring under this paragraph,” and delete “enroll” and insert “transfer to”

Page 2, line 5, delete “in”

Page 2, line 6, after “provide” insert “nonsectarian”

Page 2, delete section 2

Page 2, line 34, delete “Sections 1 and 2 are” and insert “Section 1 is”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete “sections” and insert “section”

Page 1, line 7, delete “; and 126.23”

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 2027: A bill for an act relating to education; establishing a program for the state to match gifts to endowments for certain undergraduate academic programs; directing the higher education coordinating board to administer the program; permitting rulemaking; proposing coding for new law in Minnesota Statutes, chapter 136A.

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

Delete everything after the enacting clause and insert:

“Section 1. [136A.56] [STATE MATCH OF ENDOWMENT GIFTS FOR BACCALAUREATE PROGRAMS.]

Subdivision 1. [LIMITATIONS.] The state shall match a gift for an undergraduate academic program made to an endowment fund of a college or university. The state's matching program has the elements, conditions, and financial and legal limits described in sections 1 to 8.

Subd. 2. [ADMINISTRATION.] The higher education coordinating board shall administer the state's matching program. The board may adopt rules as necessary to administer the documentation of gifts and the payment of matching contributions.

Sec. 2. [136A.57] [ELEMENTS OF PROGRAM.]

Subdivision 1. [WHICH GIFTS MATCHED.] The state shall match a gift of money, of income from an asset, or of the proceeds or income from the disposition of an asset.

Subd. 2. [WHEN GIFT "MADE:"] (a) A gift of money is made when the money is irrevocably credited to the recipient's endowment fund.

(b) A gift of income from an asset or of income or proceeds from the disposition of an asset is made when the net income or net proceeds are converted to money and credited to the recipient's endowment fund.

Subd. 3. [UNDERGRADUATE ACADEMIC PROGRAM.] An undergraduate academic program is a nonsectarian program leading to a baccalaureate degree from the accredited college or university offering the program.

Subd. 4. [NONSECTARIAN PROGRAM.] (a) A "nonsectarian" program is one that is not specifically for education of students to prepare them to become ministers of religion or to enter upon some other religious vocation or to prepare them to teach theological subjects.

(b) A nonsectarian program may provide for the scholarly study of religion as a discipline of knowledge in a manner similar to that provided for any other field of study.

(c) A nonsectarian program does not require its students:

(1) to take courses that are based on a particular set of religious beliefs;
(2) to receive instruction intended to propagate or promote any religious beliefs;

(3) to participate in religious activities;

(4) to maintain affiliation with a particular church or religious organization; or

(5) to attest to any particular religious beliefs.

Subd. 5. [ACCREDITED.] (a) Accredited means accredited by the north central association of secondary schools and colleges or by a substantially equivalent regional accrediting organization.

(b) Accreditation of a program primarily for the content of the program in connection with admission of its participants to a profession is not accreditation for purposes of the state's matching program.

Subd. 6. [ENDOWMENT FUND.] (a) An endowment fund is a fund or account maintained by trustees to benefit one or more colleges and universities described in subdivision 7.

(b) The fund or account must be solely for:

(1) gifts to be matched under sections 1 to 8;

(2) the state's grants matching the gifts in clause (1); and

(3) net income earned by the fund or account.

(c) The University of Minnesota foundation, the state universities' foundations, and the Minnesota private college fund and the endowment funds of each college or university that meets the definition in subdivision 7, or accounts within each of them, are endowment funds within the meaning of sections 1 to 8.

Subd. 7. [COLLEGE OR UNIVERSITY.] A college or university for purposes of the matching program is an accredited nonprofit institution of higher education, located and incorporated or chartered in the state, that offers, substantially totally within the state, undergraduate academic programs leading to a baccalaureate degree at the institution.

Sec. 3. [136A.58] [CONDITIONS.]

(a) A gift to be matched under sections 1 to 8 must be restricted by the donor or by the trustees of the endowment fund to use for nonsectarian undergraduate academic programs at one or more colleges or universities. The matching contribution has the same restrictions.

(b) The principal amount of an endowment fund including the principal amount of matching grants from the state may only be invaded in accordance with generally accepted principles of trust law for endowment funds of colleges and universities.

(c) The gift must be made from nonstate money.

Sec. 4. [136A.59] [THE MATCHING CONTRIBUTION.]

The state shall match each dollar of gifts made to an endowment fund under sections 1 to 8 with a dollar of state money, within the amount appropriated for these purposes. The money must be paid in a grant directly to the endowment fund.

Sec. 5. [136A.591] [SUBMISSION OF FUNDS TO BE MATCHED.]

Each gift to be matched shall be submitted to the state governing board in the case of the University of Minnesota and the state universities, or to the Minnesota private college council in the case of a private college or university. By June 30 of each year the governing board or the council shall review all submitted gifts and prioritize them for matching within the available appropriation. By July 15 the governing board or council shall submit its prioritized list to the higher education coordinating board together with any necessary supporting documentation. By August 15 of each year, the higher education coordinating board shall allocate the matching funds to each endowment consistent with the priorities of the governing board or council.

Sec. 6. [136A.592] [INCOME MAY BE USED ONLY FOR ACADEMIC PROGRAMS.]

(a) Net income from gifts to be matched under sections 1 to 8 and from the state's matching contributions may be used only by the beneficiary college and university only for its:

(1) faculty compensation and benefits;

(2) endowed faculty chairs;

(3) faculty development;

(4) library, media center, and laboratory resources if the resources are accessible to undergraduate students;

(5) *collaborative research of undergraduate students and their faculty;*
(6) *need-based scholarships, as defined by the appropriate governing board or council;*

(7) *scientific, technical, and computer equipment and software accessible for instructional and research purposes to undergraduate students and their faculty; and*

(8) *a use related to or consistent with other uses in this paragraph.*

(b) *Income from gifts to be matched under sections 1 to 8 and from the state's matching contributions must not be used by the beneficiary college or university for its:*

(1) *administration;*

(2) *admissions;*

(3) *public relations;*

(4) *fund raising;*

(5) *athletics;*

(6) *construction, remodeling, repair, and maintenance of buildings and grounds;*

(7) *utility payments;*

(8) *taxes, government assessments, or voluntary payments in place of taxes or assessments;*

(9) *debt service;*

(10) *furniture, fixtures, and equipment other than equipment described in paragraph (a), clause (7); and*

(11) *any other use not included in paragraph (a).*

Sec. 7. [136A.593] [LIMITS TO GRANTS.]

State grants under sections 1 to 8 are limited to the amount appropriated for the purpose. The appropriation shall be divided into three equal parts with one-third available to the University of Minnesota system, one-third available to the state university system, and one-third available to private colleges and universities that are members of the Minnesota private college council. The amounts appropriated in a biennium may be spent in either year of the biennium. Amounts unspent at the end of a biennium do not cancel but carry over into the next biennium. Any funds that are unspent after two years shall be placed in a common pool and be available as matching money to supplement any of the three parts in which the funds have been exhausted.

Sec. 8. [136A.594] [SUBJECT LAW.]

(a) *A gift to be matched under sections 1 to 8 is received subject to the law of Minnesota with respect to the state's obligation to make a matching contribution under sections 1 to 8, regardless of the intent of anyone to invoke the law of another jurisdiction on this point.*

(b) *The state's obligation to make a matching contribution under sections 1 to 8 is subject to the laws of this state, as the laws exist at the time of the gift and as the law may be changed after the gift is made.*

(c) No individual, government agency, endowment fund, or higher education institution is authorized to ensure that the state will match any gift under sections 1 to 8.

(d) The state is not liable to a donor, a higher education institution, an endowment fund or anyone else who relies on the state to match a gift made under sections 1 to 8 if the matching contribution is not made or not fully made for any reason.

Sec. 9. [EFFECTIVE DATE.]

Sections 1 to 8 are effective July 1, 1991, to match gifts made after June 30, 1991."

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 2429: A bill for an act relating to independent school district No. 316, Coleraine; independent school district No. 381, Lake Superior; independent school district No. 695, Chisholm; independent school district No. 696, Ely; independent school district No. 697, Eveleth; independent school district No. 699, Gilbert; independent school district No. 707, Nett Lake; and independent school district No. 710, St. Louis county; authorizing issuance of bonds.

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

Page 1, line 17, delete "\$625,000" and insert "\$950,000"

Page 1, lines 21 and 25, delete "\$3,000,000" and insert "\$3,500,000"

Page 2, line 2, delete "\$300,000" and insert "\$1,750,000"

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 2136: A bill for an act relating to education; changing the duration and membership of the task force on education organization; amending Laws 1988, chapter 718, article 6, section 23, subdivisions 1, 2, and 7.

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 2159: A bill for an act relating to education; delaying the date by which the regent candidate advisory council must submit recommendations to the legislature; amending Minnesota Statutes 1988, section 137.0245, subdivision 4.

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1926: A bill for an act relating to education; changing names of state board and state director of vocational technical education and local directors of technical colleges; amending Minnesota Statutes 1988, section 136C.02, subdivisions 4 and 5.

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1976: A bill for an act relating to education; providing for certain notice and board membership requirements under certain joint powers arrangements; amending Minnesota Statutes 1988, section 124.494, by adding a subdivision.

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

Page 1, line 18, before the period, insert "*if authorized in the agreement establishing the joint powers board to govern the cooperative secondary facility*"

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1958: A bill for an act relating to education; changing school consolidation election procedures; amending Minnesota Statutes 1988, section 122.23, subdivisions 9, 11, 12, and 13.

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

Page 1, line 13, delete "*a*" and insert "*all of the*" and delete "*board*" and insert "*boards*"

Page 1, line 14, delete "*calls*" and insert "*call*"

Page 1, line 25, delete "*board*" and insert "*boards*"

Page 2, lines 7, 11, 16, 18, 20, and 28, delete "*board*" and insert "*boards*"

Page 2, line 34, before the period, insert "*, unless an even-numbered year is agreed upon according to subdivision 13a*"

Page 3, line 1, delete "*board*" and insert "*boards*"

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 2300: A bill for an act relating to the state university board; authorizing the issuance of revenue bonds; amending Minnesota Statutes 1988, section 136.41, by adding a subdivision.

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

Delete everything after the enacting clause and insert:

“Section 1. [LOURDES HALL PURCHASE.]

The state university board may purchase Lourdes Hall, located on the campus of the former college of St. Teresa in Winona, for use as a residential college. The purchase may be by contract for deed. If the contract is terminated for default by the board, the seller's exclusive remedies are to retain the payments previously made and repossess the property; the seller may not sue on the contract to recover any additional amounts due under the contract. Responsibility for insuring the property during the term of the contract must be on the seller. Before executing the contract, the board shall obtain the advisory recommendations of the chairs of the senate committee on finance and house of representatives committee on appropriations.

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 the state university board; authorizing the board to purchase Lourdes Hall for use as a residential college.”

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

Mr. Pehler from the Committee on Education, to which was re-referred

S.F. No. 2160: A bill for an act relating to education; providing for the environmental education act; creating the office of environmental education; proposing coding for new law as Minnesota Statutes, chapter 126A; repealing Minnesota Statutes 1988, sections 116E.01; 116E.02; 116E.03, subdivisions 2, 3, 4, 5, 6, 7, 7a, 8, and 9; and 116E.04; Minnesota Statutes 1989 Supplement, sections 116E.03, subdivision 1; and 116E.035.

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

Page 1, line 24, delete “*complimentary*” and insert “*complementary*”

Page 3, line 19, delete “*biannually*” and insert “*every other year*”

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1975: A bill for an act relating to education; providing for the notice of and place for meeting of certain joint powers organizations; proposing coding for new law in Minnesota Statutes, chapter 124.

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

Page 1, line 9, delete “*boards*” and insert “*the board*” and delete “*any*” and insert “*each of its*”

Page 1, line 11, delete “*the member districts and*”

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

Mr. Pehler from the Committee on Education, to which was re-referred

S.F. No. 2144: A bill for an act relating to state lands; requiring condemnation and sale of certain trust lands constituting lakeshore lots; requiring the sale of certain non-trust lands constituting lakeshore lots; authorizing a bond issue to establish a revolving fund to finance acquisitions; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 92; repealing Minnesota Statutes 1988, section 92.67.

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

Page 2, lines 12 and 19, delete "*, but in an amount not to exceed \$1,000*"

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 2191: A bill for an act relating to education; deleting the four-year or equivalent limitation on post-secondary child care grants; amending Minnesota Statutes 1989 Supplement, section 136A.125, subdivision 2.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 136A.121, subdivision 10, is amended to read:

Subd. 10. [RENEWALS.] Each grant must be awarded for one academic year, is renewable for a maximum of six semesters or nine quarters or their equivalent, but may not continue after the recipient has obtained a baccalaureate degree ~~or has been enrolled full time or the equivalent for eight semesters or 12 quarters, whichever occurs first.~~

Sec. 2. Minnesota Statutes 1989 Supplement, section 136A.125, subdivision 2, is amended to read:

Subd. 2. [ELIGIBLE STUDENTS.] An applicant is eligible for a child care grant if the applicant:

(1) is a resident of the state of Minnesota;

(2) has a child 12 years of age or younger, or 14 years of age or younger who is handicapped as defined in section 120.03, and who is receiving or will receive care on a regular basis from a licensed or legal, nonlicensed caregiver;

(3) is within the sliding fee scale income guidelines set under section 256H.10, subdivision 2, as determined by a standardized financial aid needs analysis in accordance with the board's policies and rules, but is not a recipient of aid to families with dependent children;

~~(4) has not earned a baccalaureate degree and has been enrolled full time less than eight semesters, 12 quarters, or the equivalent;~~

~~(5) (4) is pursuing a nonsectarian program or course of study that applies to an undergraduate degree, diploma, or certificate;~~

~~(6) (5) is enrolled at least half time in an eligible institution; and~~

(7) (6) is in good academic standing and making satisfactory progress, as determined by the institution.

Sec. 3. Minnesota Statutes 1989 Supplement, section 136A.125, subdivision 4, is amended to read:

Subd. 4. [AMOUNT AND LENGTH OF GRANTS.] The amount of a child care grant must be based on:

- (1) the financial need of the applicant;
- (2) the number of the applicant's children; and
- (3) the cost of the child care,

as determined by the institution in accordance with board policies and rules. The amount of the grant must cover the cost of child care for all eligible children for the full number of hours of education per week and may cover up to 20 hours per week of employment for which child care is needed. ~~The~~ *Each grant must be awarded for one academic year, is renewable for a maximum of six semesters or nine quarters or their equivalent, but may not continue after the recipient has obtained a baccalaureate degree.*"

Delete the title and insert:

"A bill for an act relating to education; changing the limitations on renewals of student scholarship and child care grants; amending Minnesota Statutes 1989 Supplement, sections 136A.121, subdivision 10; and 136A.125, subdivisions 2 and 4."

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1844: A bill for an act relating to education; making permanent the deadline for teacher contracts and aid penalty; amending Minnesota Statutes 1989 Supplement, section 124A.22, subdivision 2a.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 124A.22, subdivision 2a, is amended to read:

Subd. 2a. [~~ELIGIBILITY FOR INCREASE~~ *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 129B or 136D, 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 vocational technical education.

(b) Notwithstanding ~~subdivision 2 or any other law to the contrary, if a school board public employer and the bargaining unit exclusive representative of the teachers in a school district have not ratified shall both sign a contract by collective bargaining agreement on or before January 15, 1990, for the two-year period ending June 30, 1991, the district is no longer eligible for \$25 of the formula allowance for fiscal year 1990 of an even-numbered calendar year. The total amount of money that would have been paid to districts that are not eligible according to this subdivision 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.

(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 ~~allocated~~ paid to eligible school districts that did not have aids reduced according to the number of actual pupil units in all of the eligible those districts."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "extending the deadline and aid penalty to certain public employers that negotiate with teachers;"

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1966: A bill for an act relating to education; expanding open enrollment to bordering states; amending Minnesota Statutes 1989 Supplement, section 120.062, subdivision 12, and by adding a subdivision.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1989 Supplement, section 120.062, subdivision 12, is amended to read:

Subd. 12. [GENERAL EDUCATION AID.] Adjustments to general education aid, capital expenditure facilities aid, and equipment aid for the resident and nonresident districts *for intrastate transfers* shall be made according to sections 124A.036, subdivision 5, and 124.245, subdivision 6, respectively. *For interstate transfers, the state shall make the same adjustments for Minnesota resident districts and shall pay tuition, according to section 120.08, subdivision 1, to nonresident districts in other states.*

Sec. 2. Minnesota Statutes 1988, section 120.062, is amended by adding a subdivision to read:

Subd. 13. [BORDERING STATES.] (a) *A pupil residing in Minnesota may attend a school or a program in a district located in a county that borders Minnesota.*

(b) *A pupil residing in a county that borders Minnesota may attend a school or a program in a Minnesota school district if:*

(1) *the resident school board provides written consent; and*

(2) *the resident school board or resident state pays tuition in an amount that is at least comparable to the tuition specified in section 120.08, subdivision 1.*

(c) *The requirements of this section apply to interstate transfers, except the aid payment provision of subdivision 9, and as otherwise provided in this subdivision.”*

Amend the title as follows:

Page 1, line 3, after “amending” insert “Minnesota Statutes 1988, section 120.062, by adding a subdivision; and”

Page 1, line 4, delete everything after “12” and insert a period

Page 1, delete line 5

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

Mr. Dicklich from the Committee on Public Utilities and Energy, to which was referred

S.F. No. 1419: A bill for an act relating to utilities; providing for extended area telephone service in the metropolitan area.

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

Delete everything after the enacting clause and insert:

“Section 1. [237.161] [EXTENDED AREA SERVICE.]

Subdivision 1. [CRITERIA.] (a) *The commission shall grant a petition for installation of extended intrastate area service when:*

(1) *the exchange for which installation is proposed is contiguous to an exchange to which extended intra-LATA area service is requested;*

(2) *local measured service or another lower cost alternative to basic flat-rate service is available in the exchange for which installation is*

proposed:

(3) a majority of the customers in the exchange for which installation is proposed favor its installation; and

(4) at least 50 percent of the customers in the petitioning exchange make one or more calls a month to the exchange or wire center to which extended area service is requested, as determined by a traffic study.

(b) The commission may not grant a petition for installation of extended area service when the criteria in paragraph (a) have not been met.

Subd. 2. [COSTS.] Seventy percent of the cost of providing extended area service over the petitioned route must be apportioned to the petitioning exchange and the remaining 30 percent apportioned to the exchange or exchanges to which extended area service is requested. The cost must be apportioned among the customers in an exchange so that the relationship between the rates for classes of service remains the same. The cost to the petitioning exchange must be available to its customers before the commission determines whether a majority of them favor the installation of extended area service.

Subd. 3. [BASIS OF RATES.] For a proposal to install extended area service, proposed rates must be based on specific additional cost incurred, operating expenses, actual cost for new facilities constructed specifically to provide for extended area service, net book value of existing facilities transferred from another service to extended area service, a return on the capital investment associated with installing and providing the extended area service, and appropriate contributions to common overheads. In its order granting an extended area service petition, the commission shall establish rates that are income neutral and allow the telephone company providing local exchange service to the petitioning exchange and the telephone company providing local exchange service to the petitioned exchange to recover toll or access contribution lost as a result of the installation of extended area service."

Delete the title and insert:

"A bill for an act relating to utilities; telephone companies; regulating the installation of extended area service in exchanges; prescribing standards; proposing coding for new law in Minnesota Statutes, chapter 237."

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

Mr. Dicklich from the Committee on Public Utilities and Energy, to which was referred

S.F. No. 1600: A bill for an act relating to energy; state buildings; establishing goals for energy conservation; amending Minnesota Statutes 1988, section 16B.32.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 16B.32, is amended to read:

16B.32 [ALTERNATIVE ENERGY SOURCES USE.]

Subdivision 1. [ALTERNATIVE ENERGY SOURCES.] Plans prepared by the commissioner for a new building or for a renovation of 50 percent or more of an existing building or its energy systems must include designs which use active and passive solar energy systems, earth sheltered construction, and other alternative energy sources where feasible.

Subd. 2. [ENERGY CONSERVATION GOALS.] (a) The commissioner shall apply energy conservation measures to buildings owned and 75 percent leased by the state, including all post-secondary education systems, including the state university system, the community colleges system, technical colleges, and the University of Minnesota, and shall improve the design for the construction or rehabilitation of state buildings and the standards for leases so that the Btu energy consumption for each gross square foot of state-owned and 75 percent state-leased buildings during the fiscal year beginning July 1, 1993, is at least 15 percent less than the Btu energy consumption for each gross square foot of state-owned and 75 percent state-leased buildings in the fiscal year that began July 1, 1985.

(b) The commissioner may exclude from the requirements of paragraph (a) a building in which "energy conservation measures" are carried out. "Energy conservation measures" means measures that are applied to a state building that improves energy efficiency and has a simple return of investment in ten years and involves energy conservation, conservation facilities, renewable energy sources, improvements in operations and maintenance efficiencies, or retrofit activities.

(c) By January 1, 1991, the commissioner shall submit to the legislature a report that includes:

- (1) an energy use survey of the space the state buildings occupy;*
- (2) a plan for conserving energy without undertaking any physical alterations of the space;*
- (3) recommendations for physical alterations that would enable the agency to conserve additional energy, along with an estimate of the cost of the alterations;*
- (4) recommendations for additional legislation needed to achieve the goal, along with an estimate of any costs associated with the recommended legislation; and*
- (5) recommendations for additional legislation needed to achieve the goal for all commercial and industrial buildings in the state.*

Sec. 2. [APPROPRIATION.]

§ is appropriated to the commissioner of administration for purposes of section 1.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective May 1, 1990."

Amend the title as follows:

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

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

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

S.F. No. 2321: A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 14; dedicating certain lottery revenue to the environment and natural resources trust fund; repealing Minnesota Statutes 1988, section 116P04, subdivisions 2 and 3.

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

Delete everything after the enacting clause and insert:

“Section 1. [CONSTITUTIONAL AMENDMENT PROPOSED; DEDICATING CERTAIN REVENUE TO THE ENVIRONMENTAL AND NATURAL RESOURCES TRUST FUND.]

The following amendment to the Minnesota Constitution, article XI, section 14, is proposed to the people. If the amendment is adopted, the section will read as follows:

Sec. 14. A permanent Minnesota environment and natural resources trust fund is established in the state treasury. The principal of the environment and natural resources trust fund must be perpetual and inviolate forever, except appropriations may be made from up to 25 percent of the annual revenues deposited in the fund until fiscal year 1997 and loans may be made of up to five percent of the principal of the fund for water system improvements as provided by law. This restriction does not prevent the sale of investments at less than the cost to the fund, however, all losses not offset by gains shall be repaid to the fund from the earnings of the fund. The net earnings from the fund shall be appropriated in a manner prescribed by law for the public purpose of protection, conservation, preservation, and enhancement of the state’s air, water, land, fish, wildlife, and other natural resources.

Not less than one-half of the net lottery proceeds from any state-operated lottery must be credited to the fund until the principal reaches \$1,000,000,000.

Sec. 2. [SUBMISSION TO VOTERS.]

The proposed amendment shall be submitted to the people at the 1990 general election. The question submitted shall be:

“Shall the Minnesota Constitution be amended to dedicate not less than one-half of the net lottery proceeds to the environment and natural resources trust fund?”

Yes
No”

Sec. 3. [REPEALER.]

Minnesota Statutes 1988, section 116P04, subdivisions 2 and 3, are repealed.

Sec. 4. [EFFECTIVE DATE.]

Section 3 is effective the day following adoption by the voters of the constitutional amendment proposed by section 1.”

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

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

S.F. No. 2306: A bill for an act relating to finance; appropriating money to the Mississippi headwaters board.

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

Page 1, lines 10 and 11, delete "*in fiscal years 1989 and 1990*"

Page 1, line 12, after "*in*" insert "*river*"

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

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 1704: A bill for an act relating to natural resources; authorizing conservation officers to seek issuance of and to serve search warrants; amending Minnesota Statutes 1989 Supplement, sections 626.05, subdivision 2; and 626.13.

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2423: A bill for an act relating to courts; authorizing 12 additional trial court judgeships; correcting references to the number of trial court judgeships provided in law; amending Minnesota Statutes 1988, section 2.722, subdivision 1.

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1400: A bill for an act relating to probate; providing right to counsel in certain guardianship and conservatorship proceedings; proposing coding for new law in Minnesota Statutes, chapter 525.

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

Page 1, line 8, before "A" insert "*Subdivision 1. [GENERAL.]*" and delete the second "*proposed*"

Page 1, line 11, delete the first "*the proposed*" and after "*conservatee*" insert "*for the initial proceeding held pursuant to section 525.551*"

Page 1, line 13, delete "*that person*" and insert "*the proposed ward or conservatee*"

Page 1, line 15, delete "*as set forth in*" and insert "*under*"

Page 1, line 22, delete "*this charge*" and insert "*section 525.551*"

Page 2, after line 4, insert:

"*Subd. 2. [FILING FEE SURCHARGE.] A petitioner who pays a filing fee for a petition under chapters 524 and 525 shall pay a surcharge of \$10 in addition to the filing fee and other surcharges imposed by law. The*

court administrator shall transmit the surcharge to the county treasurer for deposit in the county treasury.”

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1827: A bill for an act relating to civil actions; addressing reduction of damages in an action under no-fault automobile insurance; clarifying the execution of a state agency lien for medical assistance in a civil case; preserving common law tort law claims against adults who knowingly provide alcoholic beverages to minors; changing the standard for awarding punitive damages; addressing when a principal may be held liable for punitive damages for an act of the principal's agent; requiring a separate trial to address punitive damages; requiring the court to review a punitive damages award; making the contributory negligence rule apply to damages resulting from economic loss; redefining fault; abolishing the doctrine of last clear chance; repealing the limit on intangible loss damages and the requirement that a jury specify amounts for past, future, and intangible loss damages; amending Minnesota Statutes 1988, sections 65B.51, subdivision 1; 256B.042, subdivision 5; 340A.801, by adding a subdivision; 541.051, subdivision 1; 548.36, subdivision 3; 549.20, subdivisions 1,-2, and by adding subdivisions; 604.01, subdivisions 1, 1a, and 3; repealing Minnesota Statutes 1988, sections 549.23 and 549.24.

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

Page 2, delete section 2

Page 3, after line 2, insert:

“Sec. 3. Minnesota Statutes 1988, section 466.08, is amended to read:
466.08 [COMPROMISE OF CLAIMS.]

Notwithstanding sections 466.03 and 466.06, the governing body of any municipality, the administrator of a self-insurance pool, or the authorized representative of a private insurance carrier may compromise, adjust and settle tort claims against the municipality for damages under section 466.02 and may, subject to procedural requirements imposed by law or charter, appropriate money for the payment of amounts agreed upon. When the amount of a settlement exceeds ~~\$2,500~~ \$10,000, the settlement shall not be effective until approved by the district court.”

Page 6, after line 32, insert:

“Sec. 13. Minnesota Statutes 1988, section 604.05, subdivision 2, is amended to read:

Subd. 2. [GENERAL IMMUNITY FROM LIABILITY.] Any person who, without compensation or the expectation of compensation renders emergency care, advice, or assistance at the scene of an emergency or during transit to a location where professional medical care can be rendered, is not liable for any civil damages as a result of acts or omissions by that person in rendering the emergency care, advice, or assistance unless that person acts in a willful and wanton or reckless manner in providing the care, advice, or assistance. Any person rendering emergency care, advice,

or assistance during the course of regular employment, and receiving compensation or expecting to receive compensation for rendering such care, advice, or assistance, shall be excluded from the protection of this section.

For the purposes of this section, the scene of an emergency shall be those areas not within the confines of a hospital or other institution which has hospital facilities, or an office of a person licensed to practice one or more of the healing arts pursuant to chapter 147, 148, 150A, or 153. The scene of an emergency includes areas threatened by or exposed to spillage, seepage, fire, explosion, or other release of hazardous materials, *and includes ski areas and trails.*

For the purposes of this section, "person" includes a public or private nonprofit volunteer firefighter, volunteer police officer, volunteer ambulance attendant, volunteer first provider of emergency medical services, *volunteer ski patroller*, and any partnership, corporation, association, or other entity.

For the purposes of this section, compensation does not include payments, reimbursement for expenses, or pension benefits paid to members of volunteer organizations.

Sec. 14. Minnesota Statutes 1988, section 626.556, subdivision 4, is amended to read:

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

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

(2) any social worker or supervisor employed by a local welfare agency complying with subdivision 10d; and

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

(b) A person who is a supervisor or social worker employed by a local welfare agency complying with subdivisions 10 and 11 or any related rule or provision of law is immune from any civil or criminal liability that might otherwise result from the person's actions, if the person is acting in good faith and exercising due care.

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

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

Page 7, line 1, delete "2, and 4 to 13" and insert "4 to 12, and 15"

Page 7, line 3, delete "3" and insert "2"

Page 7, line 4, after the period, insert "*Section 14 is effective August 1, 1990, for actions pending or commenced on or after that date.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon

Page 1, delete line 5

Page 1, line 7, after the semicolon, insert "increasing the amount of claims that may be settled without court approval under the municipal compromise of claims statute;"

Page 1, line 16, after the semicolon, insert "providing immunity from liability for volunteer ski patrollers; allowing recovery of attorney fees by good faith reporters under the child abuse reporting act;"

Page 1, line 20, delete "256B.042, subdivision 5;"

Page 1, line 21, after the first semicolon, insert "466.08;"

Page 1, line 24, after the semicolon, insert "604.05, subdivision 2; 626.556, subdivision 4;"

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2441: A bill for an act relating to financial institutions; requiring notice of proposed acquisition; proposing coding for new law in Minnesota Statutes, chapter 46.

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

Delete everything after the enacting clause and insert:

"Section 1. [46.047] [DEFINITIONS.]

Subdivision 1. [APPLICATION.] The definitions in this section apply to sections 1 and 2.

Subd. 2. [BANKING INSTITUTION.] "Banking institution" means a bank, trust company, bank and trust company, mutual savings bank, or thrift institution that is organized under the laws of this state.

Subd. 3. [CONTROL.] "Control" means the authority to directly or indirectly direct or cause the direction of the management or policies of the banking institution.

Sec. 2. [46.048] [NOTICE OF PROPOSED ACQUISITION.]

Subdivision 1. [REQUIREMENT.] Whenever a change in the outstanding voting stock of a banking institution will result in control or in a change in the control of the banking institution, the president or cashier of the banking institution shall file notice of the proposed acquisition of control with the commissioner of commerce at least 30 days before the actual effective date of the change. A change in ownership of capital stock that would result in direct or indirect ownership by a stockholder or an affiliated group of stockholders of less than 25 percent of the outstanding capital stock is not considered a change of control. If there is any doubt as to whether a change in the outstanding voting stock is sufficient to result in control or to effect a change in the control, the doubt shall be resolved in

favor of reporting the facts to the commissioner. The requirement to file prior notice does not imply the need for prior approval by the commissioner of commerce.

Subd. 2. [CONTENTS.] The notice required in subdivision 1 must contain the following information to the extent that it is known by the person filing the notice: (1) the number of shares involved; (2) the names of the sellers or transferors; (3) the names of the purchasers or transferees; (4) the names of the beneficial owners if the shares are registered in another name; and (5) the total number of shares owned by the sellers or transferors, the purchasers, or transferees, and the beneficial owners both immediately before and after the transaction. In addition, the notice must contain other information as may be available to inform the commissioner of the effect of the transaction upon control of the banking institution whose stock is involved.

Subd. 3. [BACKGROUND CHECKS.] In addition to any other information the commissioner may be able to obtain pursuant to section 13.82, the Minnesota bureau of criminal apprehension shall, upon the commissioner's request, provide fingerprint and background checks on all persons named in the notice required by subdivision 2."

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

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 2415: A bill for an act relating to economic development; establishing a government procurement assistance program; appropriating money.

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

Page 1, lines 7 and 15, after "of" insert "trade and"

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

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 1822: A bill for an act relating to housing; providing for the administration of section 8 existing housing and low-rent public housing programs; clarifying and limiting local approval requirements; removing the exemption for special assessments for housing and redevelopment authorities; providing for the transfer of housing and housing development projects to an economic development authority; amending Minnesota Statutes 1988, sections 469.002, subdivision 10, and by adding a subdivision; 469.004, subdivision 5; 469.005, subdivision 1; 469.012, subdivision 3; 469.016; 469.040, subdivisions 1 and 3; 469.094, subdivisions 1 and 2; and 473.195, subdivision 1; and Minnesota Statutes 1989 Supplement, section 469.012, subdivision 1.

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

Page 10, line 11, delete "project" and insert "program"

Page 10, line 30, delete "An" and insert "A city, county, or multicounty"

Page 10, line 31, delete the second "its" and insert "the authorizing authority's"

Page 11, line 27, strike "of the municipality"

Page 11, line 35, strike the second "a"

Page 14, line 32, after "transfers" insert "a" and delete "projects" and insert "project" and after "or" insert "a"

Page 14, line 33, delete "projects" and insert "project"

Page 14, line 35, delete "the projects" and insert "that specific project"

Page 16, line 2, after the period, insert "Notwithstanding section 469.012, subdivision 3,"

Page 16, line 3, after "program" insert "in the metropolitan area"

Page 16, line 4, delete "municipality, county," and insert "local governmental unit"

Page 16, line 6, before the period, insert ", provided the council shall not operate a section 8 program in the jurisdiction of a local governmental unit or housing and redevelopment authority in the metropolitan area which was operating its own section 8 program under a separate annual contributions contract with the Department of Housing and Urban Development on January 1, 1990"

Page 16, line 8, before "All" insert "For the purposes of this subdivision, "annual contributions contract" has the meaning given it in United States Code, title 42, section 1437f, and implementing federal regulations."

Page 16, after line 9, insert:

"Sec. 13. [APPLICATION.]

Section 12 applies to the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Amend the title as follows:

Page 1, line 9, after the semicolon, insert "authorizing the metropolitan council to plan and administer a section 8 program in the metropolitan area without approval of local units of government;"

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

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 2055: A bill for an act relating to the city of Minneapolis; requiring the department of finance to refund a bond allocation deposit to the city of Minneapolis; appropriating money.

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

Page 1, after line 14, insert:

"Sec. 2. [KOOCHICHING COUNTY BOND ALLOCATION DEPOSIT REFUND; APPROPRIATION.]

The department of finance shall refund to Koochiching county the bond

allocation application deposit paid under Minnesota Statutes, chapter 474A, and retained by the department. \$42,150 is appropriated from the general fund to the department of finance to refund the bond allocation deposit to Koochiching county."

Page 1, line 15, delete "2" and insert "3"

Page 1, line 16, delete "*Section 1 is*" and insert "*Sections 1 and 2 are*"

Delete the title and insert:

"A bill for an act relating to appropriations; providing refunds of bond allocation deposits; appropriating money."

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F. No. 2412: A bill for an act relating to state government; requiring the state board of investment to invest certain assets currently managed by the commerce department; amending Minnesota Statutes 1988, section 79.251, by adding a subdivision.

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

Page 1, line 13, after "*assets*" insert "*, and may invest the assets consistent with the provisions of section 11A.14*"

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1931: A bill for an act relating to human services; providing for drug and alcohol abuse prevention, research, and treatment programs; requiring rules; requiring reports; appropriating money; amending Minnesota Statutes 1988, sections 254A.03, by adding a subdivision; 254B.06, by adding a subdivision; and 254B.08; Minnesota Statutes 1989 Supplement, section 254B.03, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 254A.

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

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 2115: A bill for an act relating to peace officers; authorizing licensed peace officers to operate motor vehicles and watercraft without lights under certain circumstances; providing exemption from tort liability; amending Minnesota Statutes 1988, sections 169.48; and 361.15; proposing coding for new law in Minnesota Statutes, chapter 169.

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

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

S.F. No. 2299: A bill for an act relating to economic development; establishing the Minnesota natural wild rice promotion council; appropriating money; amending Minnesota Statutes 1988, section 84.091, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 84; repealing Minnesota Statutes 1988, section 84.0911, subdivision 2.

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

Delete everything after the enacting clause and insert:

“Section 1. [CITATION.]

This act may be cited as the “Minnesota natural wild rice preservation act of 1990” or “Manomin act.”

Sec. 2. [30.495] [MINNESOTA NATURAL WILD RICE PROMOTION ADVISORY COUNCIL.]

The Minnesota natural wild rice promotion advisory council is established for the promotion and marketing of hand-harvested natural lake or river wild rice. The commissioner of agriculture, with recommendations from American Indian tribes as defined in section 254B.01, subdivision 2, shall appoint the members of the advisory council. The advisory council must include representatives of natural wild rice hand harvesters, natural wild rice processors, and natural wild rice dealers who are enrolled members of American Indian tribes as defined in section 254B.01, subdivision 2, who are Minnesota residents. Members of the advisory council shall serve for four-year terms and section 15.059, subdivisions 2 and 4, shall apply to members of the advisory council. Members of the advisory council may not receive per diem and may not be reimbursed for expenses. The commissioner of agriculture shall provide technical assistance to the advisory council relating to the marketing of natural wild rice.”

Delete the title and insert:

“A bill for an act relating to agriculture; establishing the Minnesota natural wild rice promotion advisory council; proposing coding for new law in Minnesota Statutes, chapter 30.”

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

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

S.F. No. 2207: A bill for an act relating to agriculture; requiring cash discounts on agricultural production inputs if there are interest discounts on credit terms for seller-financed sales; proposing coding for new law in Minnesota Statutes, chapter 325E.

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

Page 2, line 18, after “inputs” insert “at retail”

Page 2, line 21, delete the second “the” and insert “a”

Page 2, line 24, delete “30” and insert “60”

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

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

S.F. No. 2516: A bill for an act relating to agriculture; establishing a food advisory committee; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 28A.

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

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

S.F. No. 1889: A bill for an act relating to agriculture; changing the makeup of potato research and promotion councils; amending Minnesota Statutes 1988, section 17.54, subdivision 9.

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

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

S.F. No. 824: A bill for an act relating to the environment; requiring labeling of CFC-processed materials and materials containing CFC's; restricting use of CFC's unless approved; requiring recovery of CFC's from refrigeration units; imposing a tax on raw CFC; providing penalties; amending Minnesota Statutes 1988, sections 116.70, subdivision 2; and 116.74; proposing coding for new law in Minnesota Statutes, chapter 116.

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

Delete everything after the enacting clause and insert:

"Section 1. [CITATION.]

Sections 1 to 8 may be cited as the "comprehensive chlorofluorocarbon reduction and recycling act of 1990."

Sec. 2. [PURPOSE.]

It is the intent of the legislature to reduce the amount of CFCs used and emitted in Minnesota. Towards this goal, it is the legislature's intent that Minnesota industries use alternative chemicals when available and feasible. Where no alternative exists, CFCs should be recaptured and recycled whenever possible.

Sec. 3. Minnesota Statutes 1988, section 116.70, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 116.71 to ~~116.73~~ 116.7395.

Sec. 4. [116.735] [REQUIREMENTS TO RECYCLE CFCS.]

Subdivision 1. [SALVAGE AUTOMOBILES.] A person who processes automobiles for salvage must remove CFCs for recycling prior to disposal

or sale of the materials containing CFCs. This subdivision does not apply to crushed automobiles or automobiles that have been processed in a manner that makes removal and recovery of CFCs impossible.

Subd. 2. [REFRIGERATION EQUIPMENT.] A person processing scrap refrigerators, central air conditioning units, or freezers must remove and recycle the CFCs.

Subd. 3. [MOBILE AIR CONDITIONING EQUIPMENT.] A person servicing or removing mobile air conditioning equipment must:

(1) recapture CFCs, provide storage for recaptured CFCs, and transfer recaptured CFCs to a recycler; or

(2) recapture CFCs and recycle the CFCs to an allowed use.

Subd. 4. [SERVICING OF APPLIANCES.] A person servicing refrigerators, central air conditioning units, or freezers must:

(1) recapture CFCs, provide storage for recaptured CFCs, and transfer recaptured CFCs to a recycler; or

(2) recapture CFCs and recycle the CFCs to an allowed use.

Subd. 5. [FOAM NOT REQUIRED TO BE RECYCLED.] This section does not require recycling of rigid or flexible foam.

Subd. 6. [RULES.] The agency shall adopt rules for recycling CFCs and establish standards for CFC recycling equipment under this section.

Sec. 5. [116.737] [REQUIREMENT TO RECYCLE FIRE EXTINGUISHER HALONS.]

A person who recharges, services, or retires fire extinguishers must recapture and recycle halons.

Sec. 6. [116.7395] [MEDICAL DEVICE EXEMPTION.]

Sections 1 to 5 do not apply to processes using CFCs or halons on medical devices, in sterilization processes in health care facilities, or by a person or facility in manufacturing or selling of medical devices.

Sec. 7. [116.7397] [UNIFORM CFC REGULATION.]

It is the policy of this state to regulate and manage CFCs in a uniform manner throughout the state. Political subdivisions may not adopt, and are preempted from adopting or enforcing, requirements relating to CFCs that are different than state law.

Sec. 8. Minnesota Statutes 1988, section 297A.25, is amended by adding a subdivision to read:

Subd. 44. [CHLOROFLUOROCARBONS.] The gross receipts from the sale of equipment to recycle and recapture chlorofluorocarbons as defined in section 116.70, subdivision 3, are exempt.

Sec. 9. Minnesota Statutes 1989 Supplement, section 299K.08, is amended by adding a subdivision to read:

Subd. 3. [ADDITIONAL CHEMICAL REPORTING.] A facility must file a toxic chemical release inventory reporting form to the commission for CFC11 and CFC12, when the facility and chemical thresholds meet the requirements specified in United States Code, title 42, section 11023.

Sec. 10. [325E.35] [SALE OF CERTAIN CFC PRODUCTS PROHIBITED.]

Subdivision 1. [MOTOR VEHICLE COOLANTS.] A person may not offer for sale or sell CFC coolants in containers weighing less than 15 pounds that are designed for or are suitable for use in motor vehicle air conditioners except to persons who possess CFC recycling equipment and who present proof of ownership of CFC recycling equipment at the time of purchase.

Subd. 2. [SOLVENTS.] A person may not offer for sale or sell solvents containing CFCs in containers weighing 15 pounds or less.

Subd. 3. [PARTY STREAMERS.] A person may not offer for sale or sell CFC propelled party streamers.

Subd. 4. [NOISE HORNS.] A person may not offer for sale or sell CFC noise horns.

Subd. 5. [CFC DEFINITION.] For purposes of this section, the term "CFC" has the definition given in section 116.70, subdivision 3.

Sec. 11. [EFFECTIVE DATE.]

Section 4, subdivisions 1 and 2, are effective July 1, 1991. Section 4, subdivision 3, and section 10 are effective January 1, 1993. Section 4, subdivision 4, is effective January 1, 1992. Section 8 is effective for sales after June 30, 1990."

Delete the title and insert:

"A bill for an act relating to environment; requiring recycling of CFCs under certain conditions; providing an exemption for medical devices; prohibiting the sale of certain motor vehicle coolants and certain solvents; providing a sales tax exemption; requiring facilities to file reports on certain CFCs to the emergency response commission; requiring recapture and recycling of halons from fire extinguishers; amending Minnesota Statutes 1988, sections 116.70, subdivision 1; 297A.25, by adding a subdivision; Minnesota Statutes 1989 Supplement, section 299K.08, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 116 and 325E."

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

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 2045: A bill for an act relating to judicial administration; proposing an amendment to the Minnesota Constitution, articles VI and VIII, creating a court of compensation appeals; abolishing the workers' compensation court of appeals; providing for designation by the governor of the chief judge of the workers' compensation court of appeals; regulating the administration of the workers' compensation court of appeals; appropriating money; amending Minnesota Statutes 1988, sections 3C.11, subdivision 3; 3C.12, subdivision 2; 5.08, subdivision 2; 10A.01, subdivision 19; 14.03, subdivision 2; 15A.082, subdivisions 1 and 3; 15A.083, subdivision 7; 43A.18, subdivision 3; 43A.27, subdivision 4; 175A.01, subdivision 1; 175A.02; 175A.07, subdivision 4; 176.421, subdivisions 5, 6, and by adding a subdivision; 204B.06, subdivisions 4 and 6; 204B.11, subdivision 1; 204B.34, subdivision 3, 204B.36, subdivision 4; 204D.02, subdivision 1; 204D.08, subdivision 6; 209.01, subdivision 2; 268.10,

subdivision 8; 268.12, subdivision 13; 480.052; 480.054; 480.055, subdivision 1; 480.19; 480A.06, subdivision 3; 481.02, subdivisions 3 and 6; 490.15, subdivision 1; and 574.18; Minnesota Statutes 1989 Supplement, sections 10A.01, subdivisions 5 and 18; 357.08; proposing coding for new law as Minnesota Statutes, chapter 480B; repealing Minnesota Statutes 1988, sections 175A.01 to 175A.10; and 176.471.

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

Page 3, line 1, after "that" insert "as nearly as practicable"

Page 4, line 16, after the second "chief" insert "administrative law"

Page 4, line 18, after "chief" insert "administrative law"

Page 4, line 20, after "chief" insert "administrative law"

Page 5, delete lines 12 to 17

Page 5, line 26, after "appeals," insert "if established by the legislature,"

Page 5, after line 29, insert:

"Subd. 2. If the amendment is adopted, Article VI, section 2, of the Minnesota Constitution, will read as follows:

Sec. 2. The supreme court consists of one chief judge and not less than six nor more than eight associate judges as the legislature may establish. It shall have original jurisdiction in such remedial cases as are prescribed by law, and appellate jurisdiction in all cases, but there shall be no trial by jury in the supreme court.

The legislature may establish a court of appeals and provide by law for the number of its judges, who shall not be judges of any other court, and its organization and for the review of its decisions by the supreme court. The court of appeals shall have appellate jurisdiction over all courts, except the supreme court and the court of compensation appeals, and other appellate jurisdiction as prescribed by law.

The legislature may establish a court of compensation appeals and provide by law for the number of its judges, who shall not be judges of any other court, and its organization and for the review of its decisions by the supreme court. The court of compensation appeals shall have appellate jurisdiction over cases arising under the workers' compensation and unemployment insurance laws of the state as prescribed by law.

As provided by law judges of the court of appeals or of the district court may be assigned temporarily to act as judges of the supreme court upon its request and judges of the district court may be assigned temporarily by the supreme court to act as judges of the court of appeals.

The supreme court shall appoint to serve at its pleasure a clerk, a reporter, a state law librarian and other necessary employees."

Page 5, line 30, delete "2" and insert "3"

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

Page 6, delete lines 13 to 22

Page 11, line 9, after "that" insert "as nearly as practicable"

Page 11, line 36, after "A" insert "panel of three judges of the"

Page 12, delete lines 33 to 36

Page 13, delete lines 1 to 9

Page 13, line 10, delete "*Subd. 2.*" and insert "*Subdivision 1.*"

Page 13, line 11, delete "*shall have*" and insert "*has*"

Page 13, line 15, delete "3" and insert "2"

Page 13, line 16, delete "*shall have*" and insert "*has*" and after "*to*" insert "*issue writs of certiorari to*"

Page 13, line 18, delete "*compensation*" and insert "*insurance*"

Page 13, line 19, delete "4" and insert "3" and after "*of*" insert "*compensation*"

Page 14, line 24, after "*of*" insert "*compensation*"

Page 15, line 9, delete "*given preference in the*" and insert "*reassigned to the court of compensation appeals without loss of seniority, length of service credit, salary, or other benefits and rights.*"

Page 15, delete lines 10 and 11

Page 15, line 13, delete "*is directed to*" and insert "*shall*"

Page 15, line 20, delete "*reduction in case load*" and insert "*abolition*"

Page 15, line 31, delete "1" and insert "3"

Page 15, line 35, delete "*1 to 17*" and insert "*3 and 4 are effective July 1, 1991, and sections 5 to 18*" and delete "*the day following*" and insert "*January 1,*"

Page 15, delete line 36

Page 16, line 3, after "*over*" insert "*all*" and after "*laws*" insert "*which are pending in the workers' compensation court of appeals on December 31, 1990, or*"

Page 16, line 9, after "*all*" insert "*unemployment insurance*"

Page 16, line 10, delete everything after "*before*"

Page 16, line 11, delete "*compensation cases, and*" and delete "*in unemployment insurance*"

Page 16, line 12, delete "*cases,*"

Page 16, line 14, delete everything after the period .

Page 16, delete lines 15 to 17

Page 21, lines 16 and 25, strike the first comma and insert "*and*"

Page 34, line 20, delete everything after "3" and insert "*is effective January 1, 1991.*"

Page 34, delete lines 21 and 22

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1940: A bill for an act relating to health; establishing requirements for rehabilitating or liquidating a health maintenance organization; clarifying the liability of a health maintenance organization or management company; specifying requirements for a health maintenance organization application for a certificate; establishing protections against conflicts of interest; establishing requirements for a guaranteeing organization; including certain investments as admitted assets; requiring an expedited resolution of disputes about coverage of immediately and urgently needed service; establishing requirements for prior authorization; allowing replacement coverage by other health maintenance organizations; allowing appointment of a special examiner; amending Minnesota Statutes 1988, sections 60B.04, subdivision 1; 60B.15; 60B.17, subdivision 2, and by adding subdivisions; 60B.20; 60B.25; 62D.02, subdivision 15; 62D.03, subdivision 4; 62D.04, subdivision 1; 62D.041, subdivision 2; 62D.044; 62D.08, subdivisions 1 and 2; 62D.11, subdivision 1a, and by adding a subdivision; 62D.121, by adding a subdivision; 62D.14, by adding a subdivision; 62D.17, subdivisions 1 and 4; 62D.18, subdivision 1; and 62D.211; Minnesota Statutes 1989 Supplement, sections 62D.121, subdivision 3; and 72A.491, by adding a subdivision; and Laws 1988, chapter 434, section 24; proposing coding for new law in Minnesota Statutes, chapters 60B and 62D; repealing Minnesota Statutes 1988, sections 62D.11, subdivision 4; 62D.12, subdivisions 14 and 16; 62D.18, subdivisions 2 to 5; and 62D.20, subdivision 2.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 62D.02, subdivision 15, is amended to read:

Subd. 15. "Net worth" means admitted assets, as defined in section 62D.044, minus liabilities. *Liabilities do not include those obligations that are subordinated in the same manner as preferred ownership claims under section 60B.44, subdivision 10. For purposes of this subdivision, preferred ownership claims under section 60B.44, subdivision 10, include promissory notes subordinated to all other liabilities of the health maintenance organization.*

Sec. 2. Minnesota Statutes 1988, section 62D.03, subdivision 4, is amended to read:

Subd. 4. Each application for a certificate of authority shall be verified by an officer or authorized representative of the applicant, and shall be in a form prescribed by the commissioner of health. Each application shall include the following:

(a) a copy of the basic organizational document, if any, of the applicant and of each major participating entity; such as the articles of incorporation, or other applicable documents, and all amendments thereto;

(b) a copy of the bylaws, rules and regulations, or similar document, if any, and all amendments thereto which regulate the conduct of the affairs of the applicant and of each major participating entity;

(c) a list of the names, addresses, and official positions of the following:

(1) all members of the board of directors, or governing body of the local government unit, and the principal officers and shareholders of the applicant organization; and

(2) all members of the board of directors, or governing body of the local government unit, and the principal officers of the major participating entity and each shareholder beneficially owning more than ten percent of any voting stock of the major participating entity;

The commissioner may by rule identify persons included in the term "principal officers";

(d) a full disclosure of the extent and nature of any contract or financial arrangements between the following:

(1) the health maintenance organization and the persons listed in clause (c)(1);

(2) the health maintenance organization and the persons listed in clause (c)(2);

(3) each major participating entity and the persons listed in clause (c)(1) concerning any financial relationship with the health maintenance organization; and

(4) each major participating entity and the persons listed in clause (c)(2) concerning any financial relationship with the health maintenance organization;

(e) the name and address of each participating entity and the agreed upon duration of each contract or agreement;

(f) a copy of the form of each contract binding the participating entities and the health maintenance organization. Contractual provisions shall be consistent with the purposes of sections 62D.01 to 62D.30, in regard to the services to be performed under the contract, the manner in which payment for services is determined, the nature and extent of responsibilities to be retained by the health maintenance organization, the nature and extent of risk sharing permissible, and contractual termination provisions;

(g) a copy of each contract binding major participating entities and the health maintenance organization. Contract information filed with the commissioner shall be confidential and subject to the provisions of section 13.37, subdivision 1, clause (b), upon the request of the health maintenance organization.

Upon initial filing of each contract, the health maintenance organization shall file a separate document detailing the projected annual expenses to the major participating entity in performing the contract and the projected annual revenues received by the entity from the health maintenance organization for such performance. The commissioner shall disapprove any contract with a major participating entity if the contract will result in an unreasonable expense under section 62D.19. The commissioner shall approve or disapprove a contract within 30 days of filing.

Within 120 days of the anniversary of the implementation of each contract, the health maintenance organization shall file a document detailing the actual expenses incurred and reported by the major participating entity in performing the contract in the preceding year and the actual revenues received from the health maintenance organization by the entity in payment for the performance.

Contracts implemented prior to April 25, 1984, shall be filed within 90 days of April 25, 1984. These contracts are subject to the provisions of section 62D.19, but are not subject to the prospective review prescribed by this clause, unless or until the terms of the contract are modified. Commencing with the next anniversary of the implementation of each of these contracts immediately following filing, the health maintenance organization shall, as otherwise required by this subdivision, file annual actual expenses and revenues.

(h) a statement generally describing the health maintenance organization, its health maintenance contracts and separate health service contracts, facilities, and personnel, including a statement describing the manner in which the applicant proposes to provide enrollees with comprehensive health maintenance services and separate health services;

(i) a copy of the form of each evidence of coverage to be issued to the enrollees;

(j) a copy of the form of each individual or group health maintenance contract and each separate health service contract which is to be issued to enrollees or their representatives;

(k) financial statements showing the applicant's assets, liabilities, and sources of financial support. If the applicant's financial affairs are audited by independent certified public accountants, a copy of the applicant's most recent certified financial statement may be deemed to satisfy this requirement;

(l) a description of the proposed method of marketing the plan, a schedule of proposed charges, and a financial plan which includes a three-year projection of the expenses and income and other sources of future capital;

(m) a statement reasonably describing the geographic area or areas to be served and the type or types of enrollees to be served;

(n) a description of the complaint procedures to be utilized as required under section 62D.11;

(o) a description of the procedures and programs to be implemented to meet the requirements of section 62D.04, subdivision 1, clauses (b) and (c) and to monitor the quality of health care provided to enrollees;

(p) a description of the mechanism by which enrollees will be afforded an opportunity to participate in matters of policy and operation under section 62D.06;

(q) a copy of any agreement between the health maintenance organization and an insurer or nonprofit health service corporation regarding reinsurance, stop-loss coverage, insolvency coverage, or any other type of coverage for potential costs of health services, as authorized in sections 62D.04, subdivision 1, clause (f), 62D.05, subdivision 3, and 62D.13; ~~and~~

(r) a copy of the conflict of interest policy which applies to all members of the board of directors and the principal officers of the health maintenance organization, as described in section 62D.04, subdivision 1, paragraph (g). All currently licensed health maintenance organizations shall also file a conflict of interest policy with the commissioner within 60 days after the effective date of this provision or at a later date if approved by the commissioner;

(s) a copy of the statement that describes the health maintenance organization's prior authorization administrative procedures;

(t) a copy of the agreement between the guaranteeing organization and the health maintenance organization, as described in section 62D.043, subdivision 6; and

(u) other information as the commissioner of health may reasonably require to be provided.

Sec. 3. Minnesota Statutes 1988, section 62D.04, subdivision 1, is amended to read:

Subdivision 1. Upon receipt of an application for a certificate of authority, the commissioner of health shall determine whether the applicant for a certificate of authority has:

(a) demonstrated the willingness and potential ability to assure that health care services will be provided in such a manner as to enhance and assure both the availability and accessibility of adequate personnel and facilities;

(b) arrangements for an ongoing evaluation of the quality of health care;

(c) a procedure to develop, compile, evaluate, and report statistics relating to the cost of its operations, the pattern of utilization of its services, the quality, availability and accessibility of its services, and such other matters as may be reasonably required by regulation of the commissioner of health;

(d) reasonable provisions for emergency and out of area health care services;

(e) demonstrated that it is financially responsible and may reasonably be expected to meet its obligations to enrollees and prospective enrollees. In making this determination, the commissioner of health shall require the amounts of net worth and working capital required in section 62D.042, the deposit required in section 62D.041, and in addition shall consider:

(1) the financial soundness of its arrangements for health care services and the proposed schedule of charges used in connection therewith;

(2) arrangements which will guarantee for a reasonable period of time the continued availability or payment of the cost of health care services in the event of discontinuance of the health maintenance organization; and

(3) agreements with providers for the provision of health care services;

(f) demonstrated that it will assume full financial risk on a prospective basis for the provision of comprehensive health maintenance services, including hospital care; provided, however, that the requirement in this paragraph shall not prohibit the following:

(1) a health maintenance organization from obtaining insurance or making other arrangements (i) for the cost of providing to any enrollee comprehensive health maintenance services, the aggregate value of which exceeds \$5,000 in any year, (ii) for the cost of providing comprehensive health care services to its members on a nonelective emergency basis, or while they are outside the area served by the organization, or (iii) for not more than 95 percent of the amount by which the health maintenance organization's costs for any of its fiscal years exceed 105 percent of its income for such fiscal years; and

(2) a health maintenance organization from having a provision in a group health maintenance contract allowing an adjustment of premiums paid based upon the actual health services utilization of the enrollees covered under the contract, except that at no time during the life of the contract shall the

contract holder fully self-insure the financial risk of health care services delivered under the contract. Risk sharing arrangements shall be subject to the requirements of sections 62D.01 to 62D.30;

(g) *demonstrated that it has made provisions for and adopted a conflict of interest policy applicable to all members of the board of directors and the principal officers of the health maintenance organization. The conflict of interest policy shall include the procedures described in section 317A.255, subdivisions 1 and 2. However, the commissioner is not precluded from finding that a particular transaction is an unreasonable expense as described in section 62D.19 even if the directors follow the required procedures; and*

(h) otherwise met the requirements of sections 62D.01 to 62D.30.

Sec. 4. Minnesota Statutes 1988, section 62D.041, subdivision 2, is amended to read:

Subd. 2. [REQUIRED DEPOSIT.] Each health maintenance organization shall deposit with any organization or trustee acceptable to the commissioner through which a custodial or controlled account is utilized, *bankable funds in the cash amount required in this section. The commissioner may allow a health maintenance organization's deposit requirement to be met funded by a guaranteeing organization, as defined in section 62D.042, subdivision 1, based on the criteria set out in section 62D.042, subdivision 5 62D.043.*

Sec. 5. [62D.043] [GUARANTEEING ORGANIZATIONS.]

Subdivision 1. [DEFINITION.] (a) For purposes of this section, a "guaranteeing organization" means an organization that has agreed to assume the responsibility for the obligation of the health maintenance organization's net worth requirement.

Subd. 2. [RESPONSIBILITIES OF GUARANTEEING ORGANIZATION.] Upon an order of rehabilitation or liquidation, a guaranteeing organization shall transfer funds to the commissioner in the amount necessary to satisfy the net worth requirement.

Subd. 3. [REQUIREMENTS FOR GUARANTEEING ORGANIZATION.] (a) An organization's net worth requirement may be guaranteed provided that the guaranteeing organization:

(1) transfers into a restricted asset account cash or securities permitted by section 61A.28, subdivisions 2, 5, and 6, in an amount necessary to satisfy the net worth requirement. Restricted asset accounts shall be considered admitted assets for the purpose of determining whether a guaranteeing organization is maintaining sufficient net worth. Permitted securities shall not be transferred to the restricted asset account in excess of the limits applied to the health maintenance organization, unless approved by the commissioner in advance;

(2) designates the restricted asset account specifically for the purpose of funding the health maintenance organization's net worth requirement;

(3) maintains positive working capital subsequent to establishing the restricted asset account, if applicable;

(4) maintains net worth, retained earnings, or surplus in an amount in excess of the amount of the restricted asset account, if applicable, and allows the guaranteeing organization:

(i) to remain a solvent business organization, which shall be evaluated on the basis of the guaranteeing organization's continued ability to meet its maturing obligations without selling substantially all its operating assets and paying debts when due; and

(ii) to be in compliance with any state or federal statutory net worth, surplus, or reserve requirements applicable to that organization or lesser requirements agreed to by the commissioner; and

(5) fulfills requirements of clauses (1) to (4) by April 1 of each year.

(b) The commissioner may require the guaranteeing organization to complete the requirements of paragraph (a) more frequently if the amount necessary to satisfy the net worth requirement increases during the year.

Subd. 4. [EXCEPTIONS TO REQUIREMENTS.] When a guaranteeing organization is a governmental entity, subdivision 3 is not applicable. The commissioner may consider factors which provide evidence that the governmental entity is a financially reliable guaranteeing organization. Similarly, when a guaranteeing organization is a Minnesota-licensed health maintenance organization, health service plan corporation, or insurer, subdivision 3, paragraphs (1) and (2), are not applicable.

Subd. 5. [AMOUNTS NEEDED TO MEET NET WORTH REQUIREMENTS.] The amount necessary for a guaranteeing organization to satisfy the health maintenance organization's net worth requirement shall be the lesser of:

(1) an amount needed to bring the health maintenance organization's net worth to the amount required by section 62D.042; or

(2) an amount agreed to by the guaranteeing organization.

Subd. 6. [CONSOLIDATED CALCULATIONS FOR GUARANTEED HEALTH MAINTENANCE ORGANIZATIONS.] If a guaranteeing organization guarantees one or more health maintenance organizations, the guaranteeing organization may calculate the amount necessary to satisfy the health maintenance organizations' net worth requirements on a consolidated basis. Liabilities of the health maintenance organization to the guaranteeing organization must be subordinated in the same manner as preferred ownership claims under section 60B.44, subdivision 10.

Subd. 7. [AGREEMENT BETWEEN GUARANTEERING ORGANIZATION AND HEALTH MAINTENANCE ORGANIZATION.] A written agreement between the guaranteeing organization and the health maintenance organization must include the commissioner as a party and include the following provisions:

(1) any or all of the funds needed to satisfy the health maintenance organization's net worth requirement shall be transferred, unconditionally and upon demand, according to subdivision 2;

(2) the arrangement shall not terminate for any reason without the commissioner being notified of the termination at least nine months in advance. The arrangement may terminate earlier if net worth requirements will be satisfied under other arrangements, as approved by the commissioner;

(3) the guaranteeing organization shall pay or reimburse the commissioner for all costs and expenses, including reasonable attorney fees and costs, incurred by the commissioner in connection with the protection, defense, or enforcement of the guarantee;

(4) the guaranteeing organization shall waive all defenses and claims it may have or the health maintenance organization may have pertaining to the guarantee including, but not limited to, waiver, release, *res judicata*, statute of frauds, lack of authority, usury, illegality;

(5) the guaranteeing organization waives present demand for payment, notice of dishonor or nonpayment and protest, and the commissioner shall not be required to first resort for payment to other sources or other means before enforcing the guarantee;

(6) the guarantee may not be waived, modified, amended, terminated, released, or otherwise changed except as provided by the guarantee agreement, and as provided by applicable statutes;

(7) the guaranteeing organization waives its rights under the Federal Bankruptcy Code, United States Code, title 11, section 303, to initiate involuntary proceedings against the health maintenance organization and agrees to submit to the jurisdiction of the commissioner and Minnesota state courts in any rehabilitation or liquidation of the health maintenance organization;

(8) the guarantee shall be governed by and construed and enforced according to the laws of the state of Minnesota; and

(9) the guarantee must be approved by the commissioner.

Subd. 8. [SUBMISSION OF GUARANTEEING ORGANIZATION'S FINANCIAL STATEMENTS.] Health maintenance organizations shall submit to the commissioner the guaranteeing organization's audited financial statements annually by April 1 or at a different date if agreed to by the commissioner. The health maintenance organization shall also provide other financial information regarding a guaranteeing organization as may be requested by the commissioner.

Subd. 9. [PERFORMANCE AS GUARANTEEING ORGANIZATION VOLUNTARY.] No provider may be compelled to serve as a guaranteeing organization.

Subd. 10. [GUARANTOR STATUS IN REHABILITATION OR LIQUIDATION.] Any or all of the funds in excess of the amounts needed to satisfy the health maintenance organization's obligations as of the date of an order of liquidation or rehabilitation shall be returned to the guaranteeing organization in the same manner as preferred ownership claims under section 60B.44, subdivision 10.

Sec. 6. Minnesota Statutes 1988, section 62D.044, is amended to read:

62D.044 [ADMITTED ASSETS.]

"Admitted assets" includes ~~only the investments allowed by section 62D.045 and~~ the following:

(1) petty cash and other cash funds in the organization's principal or official branch office that are under the organization's control;

(2) immediately withdrawable funds on deposit in demand accounts, in a bank or trust company organized and regularly examined under the laws of the United States or any state, and insured by an agency of the United States government, or like funds actually in the principal or official branch office at statement date, and, in transit to a bank or trust company with authentic deposit credit given before the close of business on the fifth bank

working day following the statement date;

(3) the amount fairly estimated as recoverable on cash deposited in a closed bank or trust company, if the assets qualified under this section before the suspension of the bank or trust company;

(4) bills and accounts receivable that are collateralized by securities in which the organization is authorized to invest;

(5) premiums due from groups or individuals that are not more than 90 days past due;

(6) amounts due under reinsurance arrangements from insurance companies authorized to do business in this state;

(7) tax refunds due from the United States or this state;

(8) interest accrued on mortgage loans not exceeding in aggregate one year's total due and accrued interest on an individual loan;

(9) the rents due to the organization on real and personal property, directly or beneficially owned, not exceeding the amount of one year's total due and accrued rent on each individual property;

(10) interest or rents accrued on conditional sales agreements, security interests, chattel mortgages, and real or personal property under lease to other corporations that do not exceed the amount of one year's total due and accrued interest or rent on an individual investment;

(11) the fixed required interest due and accrued on bonds and other evidences of indebtedness that are not in default;

(12) dividends receivable on shares of stock, provided that the market price for valuation purposes does not include the value of the dividend;

(13) the interest on dividends due and payable, but not credited, on deposits in banks and trust companies or on accounts with savings and loan associations;

(14) interest accrued on secured loans that do not exceed the amount of one year's interest on any loan;

(15) interest accrued on tax anticipation warrants;

(16) the amortized value of electronic computer or data processing machines or systems purchased for use in the business of the organization, including software purchased and developed specifically for the organization's use;

(17) the cost of furniture, equipment, and medical equipment, less accumulated depreciation thereon, and medical and pharmaceutical supplies that are used to deliver health care and are under the organization's control, provided the assets do not exceed 30 percent of admitted assets;

(18) amounts currently due from an affiliate that has liquid assets with which to pay the balance and maintain its accounts on a current basis. Any amount outstanding more than three months is not current;

(19) amounts on deposit under section 62D.041; ~~and~~

(20) accounts receivable from participating health care providers that are not more than 60 days past due; *and*

(21) *investments allowed by section 62D.045, except for investments in securities and properties described under section 61A.284.*

Sec. 7. Minnesota Statutes 1988, section 62D.08, subdivision 1, is amended to read:

Subdivision 1. A health maintenance organization shall, unless otherwise provided for by rules adopted by the commissioner of health, file notice with the commissioner of health prior to any modification of the operations or documents described in the information submitted under clauses (a), (b), (e), (f), (g), (i), (j), (l), (m), (n), (o), (p), (q) ~~and~~, (r), (s), and (t) of section 62D.03, subdivision 4. If the commissioner of health does not disapprove of the filing within ~~30~~ 60 days, it shall be deemed approved and may be implemented by the health maintenance organization.

Sec. 8. Minnesota Statutes 1988, section 62D.08, subdivision 2, is amended to read:

Subd. 2. Every health maintenance organization shall annually, on or before April 1, file a verified report with the commissioner of health ~~and to the commissioner of commerce~~ covering the preceding calendar year. *However, utilization data required under subdivision 3, clause (c), shall be filed on or before July 1.*

Sec. 9. Minnesota Statutes 1988, section 62D.08, subdivision 6, is amended to read:

Subd. 6. A health maintenance organization shall submit to the commissioner unaudited financial statements of the organization ~~on a quarterly basis for the first three quarters of the year~~ on forms prescribed by the commissioner. The statements are due 30 days after the end of ~~each~~ the quarter and shall be maintained as nonpublic data, as defined by section 13.02, subdivision 9. *Unaudited financial statements for the fourth quarter shall be submitted at the request of the commissioner.*

Sec. 10. Minnesota Statutes 1988, section 62D.11, subdivision 1a, is amended to read:

Subd. 1a. Where a complaint involves a dispute about a health maintenance organization's coverage of ~~an immediately and urgently needed~~ a service, the commissioner may ~~either (a) review the complaint and any information and testimony necessary in order to make a determination and order the appropriate remedy pursuant to sections 62D.15 to 62D.17; or (b) order the health maintenance organization to use an expedited system to process the complaint.~~

Sec. 11. Minnesota Statutes 1988, section 62D.11, is amended by adding a subdivision to read:

Subd. 1b. [EXPEDITED RESOLUTION OF COMPLAINTS ABOUT URGENTLY NEEDED SERVICE.] In addition to any remedy contained in subdivision 1a, when a complaint involves a dispute about a health maintenance organization's coverage of an immediately and urgently needed service, the commissioner may also order the health maintenance organization to use an expedited system to process the complaint.

Sec. 12. Minnesota Statutes 1988, section 62D.11, subdivision 4, is amended to read:

Subd. 4. [COVERAGE OF SERVICE.] A health maintenance organization may not deny or limit coverage of a service which the enrollee has already received-

(-) solely on the basis of lack of prior authorization or second opinion,

to the extent that the service would otherwise have been covered under the member's contract by the health maintenance organization had prior authorization or second opinion been obtained; or

(2) from a nonparticipating provider, if (i) the service was ordered or recommended by a participating provider; (ii) the service would otherwise be covered, or was part of a discharge plan of a participating provider; and (iii) the enrollee was not given prior written notice stating that this service by a nonparticipating provider would not be covered, and listing the participating providers of this service available in the enrollee's area.

Sec. 13. Minnesota Statutes 1988, section 62D.121, is amended by adding a subdivision to read:

Subd. 2a. [REPLACEMENT COVERAGE.] The terminating health maintenance organization may also offer as replacement coverage health maintenance organization coverage issued by another health maintenance organization.

Sec. 14. Minnesota Statutes 1989 Supplement, section 62D.121, subdivision 3, is amended to read:

Subd. 3. If health maintenance organization replacement coverage is not provided offered by the health maintenance organization, as explained under ~~subdivision~~ subdivisions 2 and 2a, the replacement coverage shall provide, for enrollees covered by title XVIII of the Social Security Act, coverage at least equivalent to a basic Medicare supplement plan as defined in section 62A.316, except that the replacement coverage shall also cover the liability for any Medicare part A and part B deductible as defined under title XVIII of the Social Security Act. After satisfaction of the Medicare part B deductible, the replacement coverage shall be based on 120 percent of the at least 80 percent of usual and customary medical expenses and supplies not covered by Medicare part B eligible expenses less the Medicare part B payment amount. This does not include outpatient prescription drugs. The fee or premium of the replacement coverage shall not exceed the premium charged by the state comprehensive health plan as established under section 62E.08, for a qualified Medicare supplement plan. All enrollees not covered by Medicare shall be given the option of a number three qualified plan or a number two qualified plan as defined in section 62E.06, subdivisions 1 and 2, for replacement coverage. The fee or premium for a number three qualified plan shall not exceed 125 percent of the average of rates charged by the five insurers with the largest number of individuals in a number three qualified plan of insurance in force in Minnesota. The fee or premium for a number two qualified plan shall not exceed 125 percent of the average of rates charged by the five insurers with the largest number of individuals in a number two qualified plan of insurance in force in Minnesota.

Subd. 3a. If the replacement coverage is health maintenance organization coverage, as explained in subdivisions 2 and 2a, the fee shall not exceed 125 percent of the cost of the average fee charged by health maintenance organizations for a similar health plan. The commissioner of health will determine the average cost of the plan on the basis of information provided annually by the health maintenance organizations concerning the rates charged by the health maintenance organizations for the plans offered. Fees or premiums charged under this section must be actuarially justified.

Sec. 15. Minnesota Statutes 1988, section 62D.17, subdivision 1, is

amended to read:

Subdivision 1. The commissioner of health may, for any violation of statute or rule applicable to a health maintenance organization, or in lieu of suspension or revocation of a certificate of authority under section 62D.15, levy an administrative penalty in an amount up to ~~\$10,000~~ \$25,000 for each violation. In the case of contracts or agreements made pursuant to section 62D.05, subdivisions 2 to 4, each contract or agreement entered into or implemented in a manner which violates sections 62D.01 to 62D.30 shall be considered a separate violation. *In determining the level of an administrative penalty, the commissioner shall consider the following factors:*

- (1) the number of enrollees affected by the violation;*
- (2) the effect of the violation on enrollees' health and access to health services;*
- (3) if only one enrollee is affected, the effect of the violation on that enrollee's health;*
- (4) whether the violation is an isolated incident or part of a pattern of violations; and*
- (5) the economic benefits derived by the health maintenance organization or a participating provider by virtue of the violation.*

Reasonable notice in writing to the health maintenance organization shall be given of the intent to levy the penalty and the reasons therefor, and the health maintenance organization may have 15 days within which to file a written request for an administrative hearing and review of the commissioner of health's determination. Such administrative hearing shall be subject to judicial review pursuant to chapter 14.

Sec. 16. Minnesota Statutes 1988, section 62D.17, subdivision 4, is amended to read:

Subd. 4. (a) The commissioner of health may issue an order directing a health maintenance organization or a representative of a health maintenance organization to cease and desist from engaging in any act or practice in violation of the provisions of sections 62D.01 to 62D.30.

(1) The cease and desist order may direct a health maintenance organization to pay for or provide a service when that service is required by statute or rule to be provided.

(2) The commissioner may issue a cease and desist order directing a health maintenance organization to pay for a service that is required by statute or rule to be provided, only if there is a demonstrable and irreparable harm to the public or an enrollee.

(3) If the cease and desist order involves a dispute over the medical necessity of a procedure based on its experimental nature, the commissioner may issue a cease and desist order only if the following conditions are met:

- (i) the commissioner has consulted with appropriate and identified experts;*
- (ii) the commissioner has reviewed relevant scientific and medical literature; and*
- (iii) the commissioner has considered all other relevant factors including whether final approval of the technology or procedure has been granted*

by the appropriate government agency; the availability of scientific evidence concerning the effect of the technology or procedure on health outcomes; the availability of scientific evidence that the technology or procedure is as beneficial as established alternatives; and the availability of evidence of benefit or improvement without the technology or procedure.

(b) Within 20 days after service of the order to cease and desist, the respondent may request a hearing on the question of whether acts or practices in violation of sections 62D.01 to 62D.30 have occurred. Such hearings shall be subject to judicial review as provided by chapter 14.

If the acts or practices involve violation of the reporting requirements of section 62D.08, or if the commissioner of commerce has ordered the rehabilitation, liquidation, or conservation of the health maintenance organization in accordance with section 62D.18, the health maintenance organization may request an expedited hearing on the matter. The hearing shall be held within 15 days of the request. Within ten days thereafter, an administrative law judge shall issue a recommendation on the matter. The commissioner shall make a final determination on the matter within ten days of receipt of the administrative law judge's recommendation.

When a request for a stay accompanies the hearing request, the matter shall be referred to the office of administrative hearings within three working days of receipt of the request. Within ten days thereafter, an administrative law judge shall issue a recommendation to grant or deny the stay. The commissioner shall grant or deny the stay within five days of receipt of the administrative law judge's recommendation.

To the extent the acts or practices alleged do not involve (1) violations of section 62D.08; (2) violations which may result in the financial insolvency of the health maintenance organization; (3) violations which threaten the life and health of enrollees; (4) violations which affect whole classes of enrollees; or (5) violations of benefits or service requirements mandated by law; if a timely request for a hearing is made, the cease and desist order shall be stayed for a period of 90 days from the date the hearing is requested or until a final determination is made on the order, whichever is earlier. During this stay, the respondent may show cause why the order should not become effective upon the expiration of the stay. Arguments on this issue shall be made through briefs filed with the administrative law judge no later than ten days prior to the expiration of the stay.

Sec. 17. Minnesota Statutes 1988, section 62D.18, subdivision 1, is amended to read:

Subdivision 1. [COMMISSIONER OF HEALTH; ORDER.] The commissioner of health may ~~independently~~ order the rehabilitation or liquidation of health maintenance organizations. The rehabilitation or liquidation of a health maintenance organization shall be conducted under the supervision of the commissioner under the procedures in chapter 60B, except to the extent that the nature of health maintenance organizations renders the procedures clearly inappropriate and as provided in ~~subdivisions 2 to 7~~ *this subdivision. A health maintenance organization shall be considered an insurance company for the purposes of rehabilitation or liquidation as provided in subdivisions 2 to 7.*

Sec. 18. Minnesota Statutes 1988, section 62D.211, is amended to read:

62D.211 [RENEWAL FEE.]

Each health maintenance organization subject to sections 62D.01 to 62D.30 shall submit to the commissioner of health each year before ~~April 1~~ June 15 a certificate of authority renewal fee in the amount of \$10,000 each plus 20 cents per person enrolled in the health maintenance organization on December 31 of the preceding year. The commissioner may adjust the renewal fee in rule under the provisions of chapter 14.

Sec. 19. Minnesota Statutes 1989 Supplement, section 72A.491, is amended by adding a subdivision to read:

Subd. 4a. [COMMISSIONER.] "Commissioner" means the commissioner of commerce or a designee or the commissioner of health or a designee, whichever is applicable.

Sec. 20. Laws 1988, chapter 434, section 24, is amended to read:

Sec. 24. [REPEALER.]

Laws 1984, chapter 464, sections 29 and 40, are repealed. Section 14 is repealed June 30, ~~1990~~ 1992.

Sec. 21. [REPEALER.]

Minnesota Statutes 1988, sections 62D.12, subdivisions 14 and 16; 62D.18, subdivisions 2, 3, 4, and 5; and 62D.20, subdivision 2, are repealed."

Delete the title and insert:

"A bill for an act relating to health; specifying requirements for a health maintenance organization application for a certificate; establishing protections against conflicts of interest; establishing requirements for a guaranteeing organization; including certain investments as admitted assets; requiring an expedited resolution of disputes about coverage of immediately and urgently needed service; allowing replacement coverage by other health maintenance organizations; allowing appointment of a special examiner; amending Minnesota Statutes 1988, sections 62D.02, subdivision 15; 62D.03, subdivision 4; 62D.04, subdivision 1; 62D.041, subdivision 2; 62D.044; 62D.08, subdivisions 1, 2, and 6; 62D.11, subdivisions 1a, 4, and by adding a subdivision; 62D.121, by adding a subdivision; 62D.17, subdivisions 1 and 4; 62D.18, subdivision 1; 62D.211; Minnesota Statutes 1989 Supplement, sections 62D.121, subdivision 3; 72A.491, by adding a subdivision; Laws 1988, chapter 434, section 24; proposing coding for new law in Minnesota Statutes, chapter 62D; repealing Minnesota Statutes 1988, sections 62D.12, subdivisions 14 and 16; 62D.18, subdivisions 2 to 5; and 62D.20, subdivision 2."

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2051: A bill for an act relating to health; allowing a waiver of restrictions that may be placed upon controlling persons of a nursing home; amending Minnesota Statutes 1988, section 144A.04, subdivision 4.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 144A.04, subdivision 4, is amended to read:

Subd. 4. [CONTROLLING PERSON RESTRICTIONS.] (a) The controlling persons of a nursing home may not include any person who was a controlling person of another nursing home during any period of time in the previous two-year period:

~~(a)~~ (1) during which time of control that other nursing home incurred the following number of uncorrected or repeated violations:

~~(1)~~ (i) two or more uncorrected violations or one or more repeated violations which created an imminent risk to direct resident care or safety; or

~~(2)~~ (ii) four or more uncorrected violations or two or more repeated violations of any nature for which the fines are in the four highest daily fine categories prescribed in rule; or

~~(b)~~ (2) who was convicted of a felony or gross misdemeanor punishable by a term of imprisonment of more than 90 days that relates to operation of the nursing home or directly affects resident safety or care, during that period.

(b) The provisions of this subdivision shall not apply to any controlling person who had no legal authority to affect or change decisions related to the operation of the nursing home which incurred the uncorrected violations.

Subd. 4a. [STAY OF ADVERSE ACTION REQUIRED BY CONTROLLING PERSON RESTRICTIONS.] (a) *In lieu of revoking, suspending, or refusing to renew the license of a nursing home with a controlling person disqualified by subdivision 4, paragraph (a), clause (1), the commissioner may issue an order staying the revocation, suspension, or nonrenewal of the nursing home license. The order may, but need not, be contingent upon the nursing home's compliance with restrictions and conditions imposed on the license to ensure the proper operation of the nursing home and to protect the health, safety, comfort, treatment, and well-being of the residents in the home. The decision to issue an order for stay must be made within 90 days of the commissioner's determination that a controlling person is disqualified by subdivision 4, paragraph (a), clause (1), from operating a nursing home.*

(b) *In determining whether to issue a stay and to impose conditions and restrictions, the commissioner shall consider the following factors:*

(1) *the ability of the controlling persons to operate other nursing homes in accordance with the licensure rules and laws;*

(2) *the conditions in the facility that received the number and type of uncorrected or repeated violations described in subdivision 4, paragraph (a), clause (1); and*

(3) *the conditions and compliance history of each of the nursing homes operated by the controlling persons.*

(c) *The commissioner's decision to exercise the authority under this subdivision in lieu of revoking, suspending, or refusing to renew the license of the nursing home is not subject to administrative or judicial review.*

(d) *The order for the stay of revocation, suspension, or nonrenewal of the nursing home license must include any conditions and restrictions on*

the nursing home license that the commissioner deems necessary based upon the factors listed in paragraph (b).

(e) Prior to issuing an order for stay of revocation, suspension, or nonrenewal, the commissioner shall inform the controlling persons, in writing, of any conditions and restrictions that will be imposed. The controlling persons shall, within 10 working days, notify the commissioner in writing of their decision to accept or reject the conditions and restrictions. If the nursing home rejects any of the conditions and restrictions, the commissioner shall either modify the conditions and restrictions or take action to suspend, revoke, or not renew the nursing home license.

(f) Upon issuance of the order for stay of revocation, suspension, or nonrenewal, the controlling persons shall be responsible for compliance with the conditions and restrictions contained therein. Any time after the conditions and restrictions have been in place for 180 days, the controlling persons may petition the commissioner for removal or modification of the conditions and restrictions. The commissioner shall respond to the petition within 30 days of the receipt of the written petition. If the commissioner denies the petition, the controlling persons may request a hearing under the provisions of chapter 14. Any hearing shall be limited to a determination of whether the conditions and restrictions shall be modified or removed. At the hearing, the controlling persons will have the burden of proof.

(g) The failure of the controlling persons to comply with the conditions and restrictions contained in the order for stay shall result in the immediate removal of the stay and the commissioner shall take action to suspend, revoke, or not renew the license.

(h) The conditions and restrictions are effective for two years after the date they are imposed.

(i) Nothing in this subdivision shall be construed to limit in any way the commissioner's ability to impose other sanctions against a nursing home license under the standards set forth in state or federal law whether or not a stay of revocation, suspension, or nonrenewal is issued.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment. The provisions of section 1 apply to any contested case proceeding that is pending on the date of enactment as well as to licensing actions and contested case hearings commenced on or after that date."

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1828: A bill for an act relating to human services; allowing an increase to the property rates for a limited period; establishing a capital replacement fund for nursing homes; providing for a phase-up and extending grandfather status for property costs of certain nursing homes; amending Minnesota Statutes 1988, section 256B.431, by adding a subdivision; and Minnesota Statutes 1989 Supplement, section 256B.431, subdivision 3f.

Reports the same back with the recommendation that the bill be amended

as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 144A.073, is amended by adding a subdivision to read:

Subd. 3a. [EXTENSION OF APPROVAL OF A PROJECT REQUIRING AN EXCEPTION TO THE NURSING HOME MORATORIUM.] Notwithstanding subdivision 3, a construction project that was approved by the commissioner under the moratorium exception approval process in this section prior to February 1, 1990, may be commenced more than 12 months after the date of the commissioner's approval but no later than July 1, 1992.

Sec. 2. Minnesota Statutes 1988, section 256B.431, is amended by adding a subdivision to read:

Subd. 3h. [PROPERTY COSTS FOR THE RATE YEAR BEGINNING JULY 1, 1990.] Notwithstanding Minnesota Rules, part 9549.0060, subpart 13, item H, the commissioner shall determine property-related payment rates for nursing homes for the rate year beginning July 1, 1990, as follows:

(a) The property-related payment rate for a nursing home whose property-related payment rate for the rate year beginning July 1, 1989, was determined according to Minnesota Rules, part 9549.0060, subpart 13, item A (full rental reimbursement) or item C or D (rental reimbursement being phased in), is the same as the property-related payment rate for the rate year beginning July 1, 1989. The commissioner shall adjust property-related payment rates determined according to Minnesota Rules, part 9549.0060, subpart 13, item A, to reflect current allowable debt.

(b) The property-related payment rate for a nursing home whose property-related payment rate for the rate year beginning July 1, 1989, was determined according to Minnesota Rules, part 9549.0060, subpart 13, item B (frozen property rate), is the greater of 94 percent of the property-related payment rate for the rate year beginning July 1, 1989; the amount of the nursing home's allowable principal and interest payments on debt incurred for the purchase of land, buildings, attached fixtures, and land improvements, plus the equipment allowance, for the rate year beginning July 1, 1989; or the property-related payment rate for the year beginning July 1, 1989, determined according to Minnesota Rules, part 9549.0060, subpart 13, item A (full rental reimbursement), adjusted to reflect current allowable debt; except that the rate determined under this paragraph must not exceed the property-related payment rate for the rate year beginning July 1, 1989.

(c) The property-related payment rate for a nursing home that qualifies for a rate adjustment according to Minnesota Rules, part 9549.0060, subpart 13, item G (special reappraisal), is the rate determined according to that subpart.

(d) The property-related payment rate for a nursing home that qualifies under section 256B.431, subdivision 3g, is the rate determined according to that subdivision.

Sec. 3. Minnesota Statutes 1988, section 256B.431, is amended by adding a subdivision to read:

Subd. 3i. [PROPERTY RATE ADJUSTMENT FOR REQUIRED

IMPROVEMENTS.] *The commissioner shall add an adjustment to the property-related payment rate of a certified, freestanding boarding care home reflecting the costs incurred by that nursing home to install a communications system in every room and hallway handrails, as required under the 1987 federal Omnibus Budget Reconciliation Act, Public Law Number 100-203. The property-related payment rate increase is only available if, and to the extent that, the nursing home's existing property-related payment rate, minus the nursing home's allowable principal and interest costs and equipment allowance, is not sufficient to cover the costs of the required improvements. Each nursing home eligible for the adjustment shall submit to the commissioner a detailed estimate of the cost increases the facility will incur to meet the new physical plant requirements. Ten percent of the amount of the costs that are determined by the commissioner to be reasonable for the nursing home to meet the new requirements, divided by resident days, must be added to the nursing home's property-related payment rate. The adjustment shall be added to the property-related payment rate determined under section 2. The resulting recalculated property-related payment rate is effective October 1, 1990, or 60 days after a nursing home submits its detailed cost estimate, whichever occurs later.*

The adjustment is only available to a certified, freestanding boarding care home that cannot meet the requirements of Public Law Number 100-203 for communications systems and handrails as demonstrated to the satisfaction of the commissioner of health. When the commissioner of human services establishes that it is not cost effective to upgrade an eligible certified, freestanding boarding care home to the new standards, the commissioner of human services may exclude the certified freestanding boarding care home if it is either an institution for mental disease or a certified, freestanding boarding care home that would have been determined to be an institution for mental disease but for the fact that it has 16 or fewer licensed beds.

Sec. 4. [RECOMMENDATIONS REGARDING PROPERTY COST PAYMENTS.]

By December 15, 1990, the rule 50 property reimbursement advisory task force under the convening authority of the commissioner of state planning shall recommend to the legislature a new system for determining property-related payment rates for nursing homes. The system recommended by the advisory task force must not increase total medical assistance spending for nursing home property costs. The system must be designed to:

- (1) reimburse nursing homes for their legitimate and reasonable property-related costs;*
- (2) permit appropriate sales of facilities within reasonable limitations;*
- (3) allow for the reasonable accumulation of funds to replace capital assets;*
- (4) take into consideration Medicare principles and required state plan assurances;*
- (5) provide equitable treatment of facilities;*
- (6) establish limitations on investment per bed; and*
- (7) encourage long-term ownership of nursing facilities through providing a return on an owner's actual investment which is related to the length*

of ownership at the time of an arm's length sale.

Sec. 5. [REPEALER.]

Minnesota Statutes 1988, sections 256B.431, subdivisions 3, 3b, 3c, and 3d; and 256B.50, subdivision 2; and Minnesota Statutes 1989 Supplement, section 256B.431, subdivisions 3a and 3f, are repealed effective July 1, 1991.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective July 1, 1990."

Delete the title and insert:

"A bill for an act relating to health and human services; extending the construction deadline for nursing homes that have been granted exceptions to the moratorium; repealing laws establishing a rental system for reimbursing nursing home property costs; establishing interim property payment rates; requiring the property reimbursement advisory task force to recommend a new property payment system; amending Minnesota Statutes 1988, sections 144A.073, by adding a subdivision; and 256B.431, by adding subdivisions; repealing Minnesota Statutes 1988, sections 256B.431, subdivisions 3, 3b, 3c, and 3d; and 256B.50, subdivision 2; and Minnesota Statutes 1989 Supplement, section 256B.431, subdivisions 3a and 3f."

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1681: A bill for an act relating to occupations and professions; allowing a graduate social work license to be issued without examination to an applicant who was unable to apply before the transition period ended; amending Minnesota Statutes 1988, section 148B.23, by adding a subdivision.

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

Page 1, after line 20, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2370: A bill for an act relating to human services; revising and clarifying the duties and powers of the ombudsman for mental health and mental retardation; amending Minnesota Statutes 1989 Supplement, section 245.94, subdivision 1.

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

Page 2, line 8, delete "*decedents or on*"

Page 2, line 9, after the period, insert "*The ombudsman is not required*

to obtain consent for access to private data on decedents who were receiving services for mental illness, mental retardation or a related condition, or emotional disturbance."

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1759: A bill for an act relating to controlled substances; allowing prosecution in any county of controlled substance offenses involving sales of amounts aggregated over a 90-day period; providing that cocaine base is weighed as a mixture for purposes of first, second, and third degree controlled substance crimes; prohibiting the importing of controlled substances into the state; requiring the reporting of transactions involving substances that are precursors to controlled substances; defining controlled substances for purposes of reporting prenatal exposure to controlled substances; requiring adoption of day-fine systems by each judicial district; creating pilot programs to require drug and alcohol testing as a condition of probation; creating pilot programs to provide chemical dependency treatment services in juvenile and adult jails and correctional facilities; creating pilot programs to require chemical dependency assessments for drug offenders; appropriating money; amending Minnesota Statutes 1988, sections 609.135, by adding a subdivision; and 631.40; Minnesota Statutes 1989 Supplement, sections 152.021; 152.022; 152.023, subdivision 2; 152.028, subdivision 2, and by adding a subdivision; 626.556, subdivision 2; 626.5561, subdivisions 3, 4, and by adding a subdivision; and 626.5562, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 152 and 299A.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

CONTROLLED SUBSTANCE PROVISIONS

Section 1. Minnesota Statutes 1989 Supplement, section 152.021, is amended to read:

152.021 [CONTROLLED SUBSTANCE CRIME IN THE FIRST DEGREE.]

Subdivision 1. [SALE CRIMES.] A person is guilty of controlled substance crime in the first degree if:

(1) on one or more occasions within a ~~90-day~~ 120-day period the person unlawfully sells one or more mixtures ~~containing ten grams or more of a total weight of ten grams or more containing cocaine base;~~

(2) on one or more occasions within a ~~90-day~~ 120-day period the person unlawfully sells one or more mixtures of a total weight of 50 grams or more containing a narcotic drug;

(3) on one or more occasions within a ~~90-day~~ 120-day period the person unlawfully sells one or more mixtures of a total weight of 50 grams or

more containing methamphetamine, amphetamine, phencyclidine, or hallucinogen or, if the controlled substance is packaged in dosage units, equaling 200 or more dosage units; or

(4) on one or more occasions within a ~~90-day~~ 120-day period the person unlawfully sells one or more mixtures of a total weight of ~~400~~ 50 kilograms or more containing marijuana or Tetrahydrocannabinols.

Subd. 2. [POSSESSION CRIMES.] A person is guilty of a controlled substance crime in the first degree if:

(1) the person unlawfully possesses one or more mixtures ~~containing 25 grams or more of~~ a total weight of 25 grams or more containing cocaine base;

(2) the person unlawfully possesses one or more mixtures of a total weight of 500 grams or more containing a narcotic drug;

(3) the person unlawfully possesses one or more mixtures of a total weight of 500 grams or more containing methamphetamine, amphetamine, phencyclidine, or hallucinogen or, if the controlled substance is packaged in dosage units, equaling 500 or more dosage units; ~~or~~

(4) the person unlawfully possesses one or more mixtures of a total weight of 100 kilograms or more containing marijuana or Tetrahydrocannabinols; *or*

(5) the person crosses a state or international border into Minnesota while in unlawful possession of an amount of a controlled substance that constitutes a second degree controlled substance crime.

Subd. 3. [PENALTY.] (a) A person convicted under subdivision 1 or 2 may be sentenced to imprisonment for not more than 30 years or to payment of a fine of not more than \$1,000,000, or both.

(b) If the conviction is a subsequent controlled substance conviction, a person convicted under subdivision 1 or 2 shall be sentenced to imprisonment for not less than four years nor more than 40 years or to payment of a fine of not more than \$1,000,000, or both.

(c) In a prosecution under subdivision 1 involving sales by the same person in two or more counties within a 120-day period, the person may be prosecuted for all of the sales in any county in which one of the sales occurred.

Sec. 2. Minnesota Statutes 1989 Supplement, section 152.022, is amended to read:

152.022 [CONTROLLED SUBSTANCE CRIME IN THE SECOND DEGREE.]

Subdivision 1. [SALE CRIMES.] A person is guilty of controlled substance crime in the second degree if:

(1) on one or more occasions within a ~~90-day~~ 120-day period the person unlawfully sells one or more mixtures ~~containing three grams or more of~~ a total weight of three grams or more containing cocaine base;

(2) on one or more occasions within a ~~90-day~~ 120-day period the person unlawfully sells one or more mixtures of a total weight of ten grams or more containing a narcotic drug;

(3) on one or more occasions within a ~~90-day~~ 120-day period the person

unlawfully sells one or more mixtures of a total weight of ten grams or more containing methamphetamine, amphetamine, phencyclidine, or hallucinogen or, if the controlled substance is packaged in dosage units, equaling 50 or more dosage units;

(4) on one or more occasions within a ~~90-day~~ 120-day period the person unlawfully sells one or more mixtures of a total weight of ~~50~~ 25 kilograms or more containing marijuana or Tetrahydrocannabinols; ~~or~~

(5) the person unlawfully sells any amount of a schedule I or II narcotic drug; ~~and:~~

(i) ~~the person unlawfully sells the substance~~ to a person under the age of 18, or conspires with or employs a person under the age of 18 to unlawfully sell the substance; or

(ii) ~~the sale occurred in a school zone or a park zone.~~

(6) ~~the person unlawfully sells any amount of a schedule I or II narcotic drug in a school zone or a park zone.~~

Subd. 2. [POSSESSION CRIMES.] A person is guilty of controlled substance crime in the second degree if:

(1) the person unlawfully possesses one or more mixtures ~~containing six grams or more~~ of a total weight of six grams or more containing cocaine base;

(2) the person unlawfully possesses one or more mixtures of a total weight of 50 grams or more containing a narcotic drug;

(3) the person unlawfully possesses one or more mixtures of a total weight of 50 grams or more containing methamphetamine, amphetamine, phencyclidine, or hallucinogen or, if the controlled substance is packaged in dosage units, equaling 100 or more dosage units; ~~or~~

(4) the person unlawfully possesses one or more mixtures of a total weight of 50 kilograms or more containing marijuana or Tetrahydrocannabinols; *or*

(5) *the person crosses a state or international border into Minnesota while in unlawful possession of an amount of a controlled substance that constitutes a third degree controlled substance crime.*

Subd. 3. [PENALTY.] (a) A person convicted under subdivision 1 or 2 may be sentenced to imprisonment for not more than 25 years or to payment of a fine of not more than \$500,000, or both.

(b) If the conviction is a subsequent controlled substance conviction, a person convicted under subdivision 1 or 2 shall be sentenced to imprisonment for not less than three years nor more than 40 years or to payment of a fine of not more than \$500,000, or both.

(c) *In a prosecution under subdivision 1 involving sales by the same person in two or more counties within a 120-day period, the person may be prosecuted for all of the sales in any county in which one of the sales occurred.*

Sec. 3. Minnesota Statutes 1989 Supplement, section 152.023, subdivision 2, is amended to read:

Subd. 2. [POSSESSION CRIMES.] A person is guilty of controlled substance crime in the third degree if:

(1) the person unlawfully possesses one or more mixtures ~~containing three grams or more~~ of a total weight of three grams or more containing cocaine base;

(2) the person unlawfully possesses one or more mixtures of a total weight of ten grams or more containing a narcotic drug;

(3) the person unlawfully possesses one or more mixtures containing a narcotic drug with the intent to sell it;

(4) the person unlawfully possesses one or more mixtures containing a narcotic drug, it is packaged in dosage units, and equals 50 or more dosage units; or

(5) the person unlawfully possesses any amount of a schedule I or II narcotic drug in a school zone or a park zone.

Sec. 4. [152.0261] [IMPORTING CONTROLLED SUBSTANCES ACROSS STATE BORDERS.]

Subdivision 1. [FELONY.] A person who crosses a state or international border into Minnesota while in possession of an amount of a controlled substance that constitutes a first degree controlled substance crime under section 152.021, subdivision 2, is guilty of importing controlled substances and may be sentenced as provided in subdivision 3.

Subd. 2. [JURISDICTION.] A violation of subdivision 1 may be charged, indicted, and tried in any county, but not more than one county, into or through which the actor has brought the controlled substance.

Subd. 3. [PENALTY.] (a) A person convicted of violating this section is guilty of a felony and may be sentenced to imprisonment for not more than 35 years or to payment of a fine of not more than \$1,250,000, or both.

(b) If the conviction is a subsequent controlled substance conviction, a person convicted under this section shall be sentenced to imprisonment for not less than five years or to payment of a fine of not more than \$1,250,000, or both.

Sec. 5. Minnesota Statutes 1989 Supplement, section 152.028, subdivision 2, is amended to read:

Subd. 2. [PASSENGER AUTOMOBILES.] The presence of a controlled substance in a passenger automobile permits the factfinder to infer knowing possession of the controlled substance by the driver or person in control of the automobile when the controlled substance was in the automobile. This inference may only be made if the defendant is charged with violating section 152.021, 152.022, ~~or~~ 152.023, or section 4. 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 controlled substance; or

(3) when the controlled substance is concealed on the person of one of the occupants.

Sec. 6. Minnesota Statutes 1989 Supplement, section 152.028, is amended by adding a subdivision to read:

Subd. 3. [AIRLINE PASSENGER BAGGAGE.] The presence of a controlled substance in baggage received at an airport in Minnesota permits the factfinder to infer knowing possession of the controlled substance by the airline passenger to whom the baggage was checked.

Sec. 7. [152.0971] [TERMS.]

Subdivision 1. [TERMS.] For purposes of sections 7 to 11, the following terms have the meanings given.

Subd. 2. [FURNISH.] "Furnish" means to sell, transfer, deliver, send, or supply a precursor substance by any other means.

Subd. 3. [SUPPLIER.] A "supplier" is a manufacturer, wholesaler, retailer, or any other person in Minnesota who furnishes a precursor substance to another person in this state.

Sec. 8. [152.0972] [PRECURSORS OF CONTROLLED SUBSTANCES.]

Subdivision 1. [PRECURSOR SUBSTANCES.] The following precursors of controlled substances are "precursor substances":

- (1) phenyl-2-propanone;*
- (2) methylamine;*
- (3) ethylamine;*
- (4) d-lysergic acid;*
- (5) ergotamine tartrate;*
- (6) diethyl malonate;*
- (7) malonic acid;*
- (8) ethyl malonate;*
- (9) barbituric acid;*
- (10) piperidine;*
- (11) n-acetylanthranilic acid;*
- (12) pyrrolidine;*
- (13) phenylacetic acid;*
- (14) anthranilic acid;*
- (15) morpholine;*
- (16) ephedrine;*
- (17) pseudoephedrine;*
- (18) norpseudoephedrine;*
- (19) phenylpropanolamine;*
- (20) propionic anhydride;*
- (21) isosafrole;*
- (22) safrole;*
- (23) piperonal;*
- (24) thionylchloride;*

- (25) *benzyl cyanide*;
- (26) *ergonovine maleate*;
- (27) *n-methylephedrine*;
- (28) *n-ethylpseudoephedrine*;
- (29) *n-methypseudoephedrine*;
- (30) *chloroephedrine*;
- (31) *chloropseudoephedrine*; and
- (32) *any substance added to this list by rule adopted by the state board of pharmacy.*

Subd. 2. [ADOPTION OF RULES.] The state board of pharmacy may adopt rules under chapter 14 that add a substance to this section if the substance is a precursor to a controlled substance or delete a substance from this section. A rule adding or deleting a substance is effective only until December 31 of the year following the calendar year during which the rule was adopted.

Sec. 9. [152.0973] [REPORT OF TRANSACTION.]

Subdivision 1. [PRE-DELIVERY NOTICE.] A supplier who furnishes a precursor substance to a person in this state shall, not less than 21 days before delivery of the substance, submit a report of the transaction, which includes the identification information specified in subdivision 3, to the bureau of criminal apprehension.

Subd. 2. [REGULAR REPORTS.] The bureau may authorize the submission of the reports on a monthly basis with respect to repeated, regular transactions between the supplier and the purchaser involving the same substance if the superintendent of the bureau of criminal apprehension determines that:

- (1) *a pattern of regular supply of the precursor substance exists between the supplier and the purchaser of the substance; or*
- (2) *the purchaser has established a record of utilization of the precursor substance for lawful purposes.*

Subd. 3. [PROPER IDENTIFICATION.] A report submitted by a supplier under this section must include:

- (1) *a driver's license or state identification card that contains a photograph of the purchaser, and includes the residential or mailing address of the purchaser, other than a post office box number;*
- (2) *the motor vehicle license number of any motor vehicle owned or operated by the purchaser;*
- (3) *a letter of authorization from the business for which the precursor substance is being furnished, including the business license number and address of the business, a full description of how the precursor substance is to be used, and the signature of the purchaser;*
- (4) *the signature of the supplier as a witness to the signature and identification of the purchaser;*
- (5) *the type and quantity of the precursor substance; and*
- (6) *the method of delivery used.*

Subd. 4. [RETENTION OF RECORDS.] A supplier shall retain a copy of the report filed under this section for five years.

Sec. 10. [152.0974] [EXCEPTIONS.]

Sections 7 to 11 do not apply to:

(1) a pharmacist or other authorized person who sells or furnishes a precursor substance on the prescription of a physician, dentist, podiatrist, or veterinarian;

(2) a physician, dentist, podiatrist, or veterinarian who administers or furnishes a precursor substance to patients;

(3) a manufacturer or wholesaler licensed by the state board of pharmacy who sells, transfers, or otherwise furnishes a precursor substance to a licensed pharmacy, physician, dentist, podiatrist, or veterinarian; or

(4) a sale, transfer, furnishing, or receipt of any drug that contains ephedrine, pseudoephedrine, norpseudoephedrine, or phenylpropanolamine and is lawfully sold, transferred, or furnished over the counter without a prescription under the federal Food, Drug, and Cosmetic Act, United States Code, title 21, section 301, et seq., or regulations adopted under that act.

Sec. 11. [152.0975] [PENALTY.]

Subdivision 1. [MISDEMEANOR.] A person who does not submit a report as required by section 9 is guilty of a misdemeanor.

Subd. 2. [GROSS MISDEMEANOR.] (a) A person who knowingly submits a report with false or fictitious information is guilty of a gross misdemeanor.

(b) A person who is convicted of violating subdivision 1 and has previously been convicted of a violation of subdivision 1 is guilty of a gross misdemeanor. The subsequent conviction must be for an offense that occurred after the earlier conviction.

Sec. 12. Minnesota Statutes 1988, 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 whenever a child is found to be delinquent for violating a provision of chapter 152. The assessor's qualifications and the assessment criteria shall comply with rules adopted by the commissioner of human services under section 254A.03, subdivision 3. If funds under chapter 254B are to be used to pay for the recommended treatment, the assessment and placement must comply with the rules adopted by the commissioner of human services under section 254A.03, subdivision 3, and under section 254B.03, subdivision 5. 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. 13. [290.433] [DRUG ABUSE RESISTANCE EDUCATION CHECKOFF]

An individual who files an income tax return or property tax refund claim form and a corporation that files a franchise tax return may designate on the original return that \$1 or more be added to the tax or deducted from the refund that would otherwise be payable by or to that individual or corporation and paid into an account established for drug abuse resistance education program grants under section 299A.33. The commissioner of revenue shall notify filers on the income and franchise tax returns and the property tax refund claim forms of their right to designate that part of the tax or refund be paid into the account. The sum of the amounts so designated to be paid must be credited to the account for use by the commissioner of public safety to provide grants under section 299A.33 to train peace officers to teach a curriculum on drug abuse resistance in the schools. All interest earned on money accrued in the account must be credited to the account by the state treasurer.

Sec. 14. [299A.331] [DARE ADVISORY COUNCIL.]

Subdivision 1. [MEMBERSHIP.] The advisory council on drug abuse resistance education consists of:

- (1) the attorney general who shall serve as chair;*
- (2) the commissioner of public safety;*
- (3) the commissioner of education;*
- (4) three representatives of law enforcement appointed by the commissioner of public safety;*
- (5) three representatives of teachers appointed by the commissioner of education;*
- (6) a representative of the DARE officers association, appointed by the peace officer standards and training board from among recommendations of the DARE officers association; and*
- (7) seven citizens appointed by the attorney general.*

Subd. 2. [DUTIES.] The council shall:

- (1) advise the bureau of criminal apprehension in establishing a drug abuse resistance education training program for peace officers;*
- (2) promote the drug abuse resistance education program throughout the state;*
- (3) monitor the drug abuse resistance education officer training program*

in conjunction with the bureau of criminal apprehension;

(4) provide coordination and assistance to local communities who wish to implement drug abuse resistance education programs in their local school systems;

(5) encourage parental and community involvement in drug abuse resistance education programs;

(6) develop a private/public partnership to provide for continuation and funding for the drug abuse resistance education program; and

(7) receive funds from public and private sources for use in the drug abuse resistance education program.

Sec. 15. Minnesota Statutes 1988, section 609.135, is amended by adding a subdivision to read:

Subd. 8. [CONTROLLED SUBSTANCE CONVICTIONS.] *(a) A court may order periodic drug testing as a condition of probation if:*

(1) the court convicts a person for a felony violation of chapter 152, or the court convicts a person for a felony violation of chapter 609 and the court finds that the convicted person has a history of chemical dependency; and

(2) the court stays the imposition or execution of the sentence.

(b) The periodic drug testing must determine whether the offender has used a controlled substance or alcohol. The testing must be done at the direction of the probation officer assigned to the case, and must be unannounced.

(c) The probation officer shall report to the court if an offender refuses the test or if an offender's test detects the presence of a controlled substance or alcohol. On receiving notice of refusal or failure, the court may revoke the stay under section 609.14, subdivision 2. When the court receives notice of an offender's second test refusal or failure, the court shall either:

(1) revoke the offender's probation and impose and execute the sentence of imprisonment or local incarceration that the court previously stayed; or

(2) stay the imposition and execution of the prison sentence and impose local incarceration as a condition of the offender's probation.

Sec. 16. Minnesota Statutes 1989 Supplement, section 609.5314, subdivision 1, is amended to read:

Subdivision 1. [PROPERTY SUBJECT TO ADMINISTRATIVE FORFEITURE; PRESUMPTION.] *(a) The following are presumed to be subject to administrative forfeiture under this section:*

(1) all money, precious metals, and precious stones found in proximity to:

(i) controlled substances;

(ii) forfeitable drug manufacturing or distributing equipment or devices; or

(iii) forfeitable records of manufacture or distribution of controlled substances; and

(2) all conveyance devices containing controlled substances with a retail value of \$100 or more if possession or sale of the controlled substance would be a felony under chapter 152; and

(3) all dangerous weapons found:

(i) in a conveyance device used or intended for use to commit or facilitate the commission of a felony offense involving a controlled substance;

(ii) on or near a person from whom a controlled substance is seized; or

(iii) on the premises where a controlled substance is seized and in proximity to the controlled substance, if possession or sale of the controlled substance would be a felony under chapter 152.

(b) A claimant of the property bears the burden to rebut this presumption.

Sec. 17. Minnesota Statutes 1988, section 609.5314, subdivision 2, is amended to read:

Subd. 2. [ADMINISTRATIVE FORFEITURE PROCEDURE.] Forfeiture of property described in subdivision 1 is governed by this subdivision. When seizure occurs, or within a reasonable time after that, all persons known to have an ownership or possessory interest in seized property must be notified of the seizure and the intent to forfeit the property. In the case of a motor vehicle required to be registered under chapter 168, notice mailed by certified mail to the address shown in department of public safety records is deemed sufficient notice to the registered owner. 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 property seized;

(2) the date of seizure;

(3) notice of the right to obtain judicial review of the forfeiture; and

(4) notice of the procedure for obtaining judicial review of the forfeiture.

Substantially the following language must appear conspicuously: "IF YOU DO NOT DEMAND JUDICIAL REVIEW EXACTLY AS PRESCRIBED IN MINNESOTA STATUTES, SECTION 609.5314, SUBDIVISION 3, YOU LOSE THE RIGHT TO A JUDICIAL DETERMINATION OF THIS FORFEITURE AND YOU LOSE ANY RIGHT YOU MAY HAVE TO THE ABOVE DESCRIBED PROPERTY. IF YOU NEED ASSISTANCE IN DEMANDING JUDICIAL REVIEW OF THIS FORFEITURE, AND CANNOT AFFORD YOUR OWN ATTORNEY, YOU MAY CONTACT THE OFFICE OF THE PUBLIC DEFENDER."

Sec. 18. Minnesota Statutes 1988, section 609.5314, subdivision 3, is amended to read:

Subd. 3. [JUDICIAL DETERMINATION.] (a) Within 60 days following service of a notice of seizure and forfeiture under this section, 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 county attorney for that county; ~~and the standard filing fee for civil actions.~~ *A demand filed with the court administrator under this subdivision does not require a filing fee.* No responsive pleading is required of the county attorney and no court fees may be charged for the county attorney's appearance in the matter. The

proceedings are governed by the rules of civil procedure.

(b) The complaint must be captioned in the name of the claimant as plaintiff, the seized property as defendant, and must state with specificity the grounds on which the claimant alleges the property was improperly seized and stating the plaintiff's interest in the property seized. Notwithstanding any law to the contrary, an action for the return of property 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.

(c) If the claimant makes a timely demand for judicial determination under this subdivision, the appropriate agency must conduct the forfeiture under section 609.531, subdivision 6a.

Sec. 19. Minnesota Statutes 1988, section 611.14, is amended to read:

611.14 [RIGHT TO REPRESENTATION BY PUBLIC DEFENDER.]

The following persons who are financially unable to obtain counsel, shall be entitled to be represented by a public defender:

(a) a person charged with a felony or gross misdemeanor, including a person charged pursuant to sections 629.01 to 629.29;

(b) a person appealing from a conviction of a felony or gross misdemeanor, or a person convicted of a felony or gross misdemeanor who is pursuing a postconviction proceeding, after the time for appeal from the judgment has expired;

(c) a person who is entitled to be represented by counsel pursuant to the provisions of section 609.14, subdivision 2;

(d) a minor who is entitled to be represented by counsel pursuant to the provisions of section 260.155, subdivision 2, if the judge of the juvenile court concerned has requested and received the approval of a majority of the district court judges of the judicial district to utilize the services of the public defender in such cases, and approval of the compensation on a monthly, hourly or per diem basis to be paid for such services pursuant to section 260.251, subdivision 2, clause (e); or

(e) a person, entitled by law to be represented by counsel, charged with an offense within the trial jurisdiction of a municipal, county, or probate court, if the trial judge or a majority of the trial judges of the court concerned have requested and received approval of a majority of the district court judges of the judicial district to utilize the services of the public defender in such cases and approval of the compensation on a monthly, hourly, or per diem basis to be paid for such services by the county or municipality within the court's jurisdiction; and

(f) a person filing a demand for judicial determination of a forfeiture under section 609.5314, subdivision 3.

Sec. 20. Minnesota Statutes 1988, section 611.32, is amended to read:

611.32 [PROCEEDINGS WHERE INTERPRETER APPOINTED.]

Subdivision 1. [PROCEEDINGS AND PRELIMINARY PROCEEDINGS INVOLVING POSSIBLE CRIMINAL SANCTIONS OR CONFINEMENT.] In any proceeding in which a person handicapped in communication may be subjected to confinement or, criminal sanction, or forfeiture of the person's property, and in any proceeding preliminary to that proceeding,

including coroner's inquest, grand jury proceedings, and proceedings relating to mental health commitments, the presiding judicial officer shall appoint a qualified interpreter to assist the person handicapped in communication and any witness handicapped in communication throughout the proceedings.

Subd. 2. [PROCEEDINGS AT TIME OF APPREHENSION OR ARREST.] Following the apprehension or arrest of a person handicapped in communication for an alleged violation of a criminal law, the arresting officer, sheriff or other law enforcement official shall immediately make necessary contacts to obtain a qualified interpreter and shall obtain an interpreter at the earliest possible time at the place of detention. A law enforcement officer shall, with the assistance of the interpreter, explain to the person handicapped in communication, all charges filed against the person, and all procedures relating to the person's detainment and release. *If the property of a person is seized under section 609.531, subdivision 4, the arresting officer, sheriff, or other law enforcement official shall make available to the person at the earliest possible time a qualified interpreter to assist the person in understanding the possible consequences of the seizure and the person's right to judicial review. For a person entitled to an interpreter under this section because of a seizure of property, the 60 days for filing a demand for a judicial determination of a forfeiture begins when the interpreter is provided.* The interpreter shall also assist the person with all other communications, including communications relating to needed medical attention. Prior to interrogating or taking the statement of the person handicapped in communication, the arresting officer, sheriff, or other law enforcement official shall make available to the person a qualified interpreter to assist the person throughout the interrogation or taking of a statement.

Sec. 21. Minnesota Statutes 1989 Supplement, section 626.556, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] As used in this section, the following terms have the meanings given them unless the specific content indicates otherwise:

(a) "Sexual abuse" means the subjection by a person responsible for the child's care, or by a person in a position of authority, as defined in section 609.341, subdivision 10, to any act which constitutes a violation of section 609.342, 609.343, 609.344, or 609.345. Sexual abuse also includes any act which involves a minor which constitutes a violation of sections 609.321 to 609.324 or 617.246.

(b) "Person responsible for the child's care" means (1) an individual functioning within the family unit and having responsibilities for the care of the child such as a parent, guardian, or other person having similar care responsibilities, or (2) an individual functioning outside the family unit and having responsibilities for the care of the child such as a teacher, school administrator, or other lawful custodian of a child having either full-time or short-term care responsibilities including, but not limited to, day care, babysitting whether paid or unpaid, counseling, teaching, and coaching.

(c) "Neglect" means failure by a person responsible for a child's care to supply a child with necessary food, clothing, shelter or medical care when reasonably able to do so or failure to protect a child from conditions or actions which imminently and seriously endanger the child's physical or mental health when reasonably able to do so. Nothing in this section shall be construed to mean that a child is neglected solely because the child's parent, guardian, or other person responsible for the child's care in good faith selects and depends upon spiritual means or prayer for treatment or

care of disease or remedial care of the child in lieu of medical care; except that there is a duty to report if a lack of medical care may cause imminent and serious danger to the child's health. This section does not impose upon persons, not otherwise legally responsible for providing a child with necessary food, clothing, shelter, or medical care, a duty to provide that care. "Neglect" includes prenatal exposure to a controlled substance, as defined in section ~~626.5561~~ 253B.02, subdivision 2, used by the mother for a nonmedical purpose, as evidenced by withdrawal symptoms in the child at birth, results of a toxicology test performed on the mother at delivery or the child at birth, or medical effects or developmental delays during the child's first year of life that medically indicate prenatal exposure to a controlled substance. Neglect also means "medical neglect" as defined in section 260.015, subdivision 2a, clause (5).

(d) "Physical abuse" means any physical injury inflicted by a person responsible for the child's care on a child other than by accidental means, or any physical injury that cannot reasonably be explained by the child's history of injuries, or any aversive and deprivation procedures that have not been authorized under section 245.825.

(e) "Report" means any report received by the local welfare agency, police department, or county sheriff pursuant to this section.

(f) "Facility" means a day care facility, residential facility, agency, hospital, sanitarium, or other facility or institution required to be licensed pursuant to sections 144.50 to 144.58, 241.021, or 245.781 to 245.812.

(g) "Operator" means an operator or agency as defined in section 245A.02.

(h) "Commissioner" means the commissioner of human services.

(i) "Assessment" includes authority to interview the child, the person or persons responsible for the child's care, the alleged perpetrator, and any other person with knowledge of the abuse or neglect for the purpose of gathering the facts, assessing the risk to the child, and formulating a plan.

(j) "Practice of social services," for the purposes of subdivision 3, includes but is not limited to employee assistance counseling and the provision of guardian ad litem services.

Sec. 22. Minnesota Statutes 1988, section 626.556, subdivision 4, is amended to read:

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

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

(2) any social worker or supervisor employed by a local welfare agency complying with subdivision 10d or the provisions of section ~~626.5561~~; and

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

(b) A person who is a supervisor or social worker employed by a local

welfare agency complying with subdivisions 10 and 11 or any related rule or provision of law is immune from any civil or criminal liability that might otherwise result from the person's actions, if the person is acting in good faith and exercising due care.

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

Sec. 23. Minnesota Statutes 1989 Supplement, section 626.5561, subdivision 1, is amended to read:

Subdivision 1. [REPORTS REQUIRED.] A person mandated to report under section 626.556, subdivision 3, shall immediately report to the local welfare agency if the person knows or has reason to believe that a woman is pregnant and has used a controlled substance for a nonmedical purpose during the pregnancy. Any person may make a voluntary report if the person knows or has reason to believe that a woman is pregnant and has used a controlled substance for a nonmedical purpose during the pregnancy. *An oral report shall be made immediately by telephone or otherwise. An oral report made by a person required to report shall be followed within 72 hours, exclusive of weekends and holidays, by a report in writing to the local welfare agency. Any report shall be of sufficient content to identify the pregnant woman, the nature and extent of the use, if known, and the name and the address of the reporter.*

Sec. 24. Minnesota Statutes 1989 Supplement, section 626.5561, subdivision 3, is amended to read:

Subd. 3. [RELATED PROVISIONS.] Reports under this section are governed by section 626.556, subdivisions 4, 4a, 5, 6, 7, 8, and 11.

Sec. 25. Minnesota Statutes 1989 Supplement, section 626.5561, subdivision 4, is amended to read:

Subd. 4. [CONTROLLED SUBSTANCES.] For purposes of this section and section 626.5562, "controlled substance" means a controlled substance ~~classified in schedule I, II, or III under chapter 152 listed in section 253B.02, subdivision 2.~~

Sec. 26. Minnesota Statutes 1989 Supplement, section 626.5561, is amended by adding a subdivision to read:

Subd. 5. [IMMUNITY.] (a) A person making a voluntary or mandated report under subdivision 1 or assisting in an assessment under subdivision 2 is immune from any civil or criminal liability that otherwise might result from the person's actions, if the person is acting in good faith.

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

Sec. 27. Minnesota Statutes 1989 Supplement, section 626.5562, subdivision 1, is amended to read:

Subdivision 1. [TEST; REPORT.] A physician shall administer a toxicology test to a pregnant woman under the physician's care, *or to a woman under the physician's care within eight hours after delivery*, to determine whether there is evidence that she has ingested a controlled substance, if the woman has obstetrical complications that are a medical indication of possible use of a controlled substance for a nonmedical purpose. If the test

results are positive, the physician shall report the results under section 626.5561. A negative test result does not eliminate the obligation to report under section 626.5561, if other evidence gives the physician reason to believe the patient has used a controlled substance for a nonmedical purpose.

Sec. 28. Minnesota Statutes 1989 Supplement, section 626.5562, subdivision 2, is amended to read:

Subd. 2. [NEWBORNS.] A physician shall administer to each newborn infant born under the physician's care a toxicology test to determine whether there is evidence of prenatal exposure to a controlled substance, if the physician has reason to believe based on a medical assessment of the mother or the infant that the mother used a controlled substance for a nonmedical purpose ~~prior to the birth during the pregnancy~~. If the test results are positive, the physician shall report the results as neglect under section 626.556. A negative test result does not eliminate the obligation to report under section 626.556 if other medical evidence of prenatal exposure to a controlled substance is present.

Sec. 29. Minnesota Statutes 1989 Supplement, section 626.5562, subdivision 4, is amended to read:

Subd. 4. [IMMUNITY FROM LIABILITY.] Any physician or other medical personnel administering a toxicology test to determine the presence of a controlled substance in a pregnant woman, *or in a woman within eight hours after delivery*, or in a child at birth or during the first month of life is immune from civil or criminal liability arising from administration of the test, if the physician ordering the test believes in good faith that the test is required under this section and the test is administered in accordance with an established protocol and reasonable medical practice.

Sec. 30. Minnesota Statutes 1988, section 631.40, is amended to read:

631.40 [JUDGMENT ON CONVICTION; JUDGMENT ROLL DEFINED NOTICE TO LICENSING BOARDS.]

Subdivision 1. [JUDGMENT ROLL.] When judgment upon a conviction is rendered, the court administrator shall enter the judgment upon the minutes, stating briefly the offense for which the conviction was had. The court administrator shall then immediately attach together and file the papers specified in clauses (1) to (5). The judgment roll consists of the papers specified in clauses (1) to (5):

(1) a copy of the minutes of challenge made by the defendant to the panel of the grand jury, or to an individual grand juror, and the proceedings and decisions on the challenges;

(2) the indictment or complaint and a copy of the minutes of the plea or motion to dismiss or to grant appropriate relief;

(3) a copy of the minutes of a challenge made to the panel of the trial jury or to an individual juror, and the proceedings and decision on the challenge;

(4) a copy of the minutes of the trial; and

(5) a copy of the minutes of the judgment.

Subd. 2. [CONTROLLED SUBSTANCE CONVICTIONS.] *When a court convicts a person of a felony under chapter 152, the court shall order that the presentence investigation include information about any business or*

professional licenses held by the offender. If the offender holds a business or professional license, the court administrator shall send a certified copy of the conviction to the appropriate licensing board.

Sec. 31. [CHEMICAL DEPENDENCY TREATMENT IN LOCAL CORRECTIONAL FACILITIES; PILOT PROGRAMS.]

The commissioner of corrections shall develop pilot programs to provide chemical dependency treatment for adult and juvenile offenders in correctional facilities. The pilot programs shall:

- (1) increase the availability of chemical dependency treatment services for adult and juvenile offenders;*
- (2) provide for professional evaluation of the need for treatment and aftercare of individual offenders;*
- (3) coordinate with local chemical dependency resources; and*
- (4) facilitate the provision of aftercare services for chemically dependent persons after their release.*

Sec. 32. [DAY FINES.]

Subdivision 1. [MODEL SYSTEM.] By January 1, 1992, the sentencing guidelines commission shall develop a model day-fine system. Each judicial district must adopt either the model system or its own day-fine system by July 1, 1992.

Subd. 2. [COMPONENTS.] A day-fine system adopted under this section must provide for a two-step sentencing procedure for those receiving a fine as part of a probationary felony sentence. In the first step, the court determines how many punishment points a person will receive, taking into account the severity of the offense and the criminal history of the offender. The second step is to multiply the punishment points by a factor that accounts for the offender's financial circumstances. The goal of the system is to provide a fine that is proportional to the seriousness of the offense and largely equal in impact among offenders with different financial circumstances. The system may provide for community service in lieu of fines for offenders whose means are so limited that the payment of a fine would be unlikely.

Sec. 33. [INCARCERATION OF DRUG DEALERS.]

The legislature finds that persons convicted of a felony offense for selling controlled substances should be incarcerated in a jail or correctional facility. The legislature strongly advises that courts make full use of the sentences provided under state law and the sentencing guidelines for persons convicted of selling controlled substances.

Sec. 34. [SUPREME COURT STUDIES.]

Subdivision 1. [JOINDER STUDY.] The supreme court shall study the feasibility of amending rule 17.03 of the Minnesota Rules of Criminal Procedure to facilitate the joint trial of certain defendants being prosecuted for possession of a controlled substance where separate trials do not serve the interests of justice. The court shall consider whether the amendment of rule 17.03 would have an unfair impact on particular economic classes or ethnic groups or otherwise create unfair categories of defendants.

Subd. 2. [CASH BAIL STUDY.] The supreme court shall study the feasibility of amending the Minnesota Rules of Criminal Procedure to provide

a hearing when a defendant pays a large bail amount in cash to allow the court to determine whether the funds are the proceeds of the unlawful sale of controlled substances.

Sec. 35. [DRUG TESTING OF OFFENDERS; PILOT PROGRAMS.]

Subdivision 1. [CONDITION OF PROBATION.] The commissioner of corrections shall develop pilot programs to evaluate the value of mandating testing for drugs and alcohol as a condition of probation and supervised release. One pilot program must be in a metropolitan area jurisdiction and one must be in a nonmetropolitan area jurisdiction. The commissioner shall order an offender to undergo drug and alcohol testing during supervised release if the offender has a history of chemical dependency. The programs must require courts to order testing for drugs and alcohol as a condition of probation for all persons:

(1) convicted of a felony under Minnesota Statutes, chapter 152, a felony involving the abuse of alcohol, or a felony that the court finds is related to the abuse of alcohol or controlled substances; and

(2) for whom the court has stayed the imposition or execution of sentence.

Subd. 2. [DRUG AND ALCOHOL TESTING.] (a) The periodic drug and alcohol testing must determine whether the offender has used a controlled substance or alcohol. The testing must be done at the direction of the probation officer assigned to the case, and must be unannounced.

(b) The probation officer shall report to the court for offenders on probation and to the commissioner for offenders on supervised release, if an offender refuses the test or if an offender's test detects the presence of a controlled substance or alcohol. On receiving notice of refusal or failure, the court may revoke the stay under Minnesota Statutes, section 609.14, subdivision 2. When the court receives notice of an offender's second test refusal or failure, the court shall either:

(1) revoke the offender's probation and impose and execute the sentence of imprisonment or local incarceration that the court previously stayed; or

(2) stay the imposition and execution of the prison sentence and impose local incarceration as a condition of the offender's probation.

On receiving notice of a second test refusal or failure by an offender on supervised release, the commissioner shall reincarcerate the offender.

Sec. 36. [CHEMICAL DEPENDENCY ASSESSMENTS; PILOT PROGRAMS.]

The commissioner of corrections shall create pilot programs in two or more jurisdictions to conduct chemical dependency assessments of all persons convicted of felony violations of Minnesota Statutes, chapter 152, and persons convicted of selected Minnesota Statutes, chapter 609, felonies. The assessment shall evaluate the offender's need for chemical dependency treatment services and recommend a program to meet the offender's needs.

Sec. 37. [EFFECTIVE DATE.]

Sections 1 to 6, 11, 12, 30, and 33 are effective August 1, 1990, and apply to crimes committed on or after that date.

ARTICLE 2
INTENSIVE SUPERVISION

Section 1. Minnesota Statutes 1988, section 241.26, subdivision 2, is amended to read:

Subd. 2. [USE OF LOCAL DETENTION FACILITIES.] The commissioner of corrections shall designate state correctional institutions for participation in the program authorized in subdivision 1 and shall adapt facilities of such institutions to provide housing and supervision of inmates participating in such program. The commissioner of corrections may also enter into contractual agreements with appropriate city and county authorities for the confinement of and provision of other correctional services to such inmates whose employment, educational or vocational training programs so require, and such city and county authorities are hereby authorized to make and enter such contracts and agreements. When the commissioner determines that the circumstances of a participant in the program authorized by subdivision 1 do not require the security of a public detention facility, the commissioner may contract with public and private agencies for the custody and separate care of such participant or house the participant in a community correction center *or under house arrest and monitored by electronic surveillance in an approved residence.*

Sec. 2. Minnesota Statutes 1988, section 244.05, is amended by adding a subdivision to read:

Subd. 6. [INTENSIVE SUPERVISED RELEASE.] The commissioner may order that an inmate be placed on intensive supervised release, as described in section 6, for all or part of the inmate's supervised release term. If the inmate violates the conditions of the intensive supervised release, the commissioner shall impose sanctions as provided in subdivision 3.

Sec. 3. [244.12] [INTENSIVE SUPERVISION SENTENCE.]

When a court convicts a person for a felony offense for which the sentencing guidelines provide a presumptive imprisonment sentence without a dispositional departure, the court may stay execution of the imprisonment sentence and sentence the offender to the commissioner of corrections to serve a sentence of intensive supervision. The court may not sentence an offender to intensive supervision if the offender is being sentenced for a conviction under section 609.185, 609.19, 609.195, 609.342, or 609.343. The court may sentence an offender to intensive supervision even if the offender will be required to move to another part of the state to serve the sentence. The court may sentence a person under this section only if the offender admits to the commission of the offense for which the offender is being convicted and does not demand execution of the presumptive sentence. The court may not sentence an offender under this section if the offender's presence in the community would present a danger to public safety.

Sec. 4. [244.13] [INTENSIVE SUPERVISION; ESTABLISHMENT OF PROGRAMS.]

Subdivision 1. [ESTABLISHMENT.] The commissioner of corrections shall establish programs offering intensive community supervision for those sentenced to intensive supervision under section 3 and those designated by the commissioner to serve all or part of a supervised release term on

intensive supervised release. The commissioner shall locate the programs so that at least one-half of the money appropriated for the programs in each year is used for programs in community corrections act counties.

Subd. 2. [TRAINING.] The commissioner shall develop specialized training programs for probation officers assigned to the intensive supervision program.

Subd. 3. [EVALUATION.] The commissioner shall develop a system for gathering and analyzing information concerning the value and effectiveness of the intensive supervision programs, and shall compile a report to the chairs of the senate and house of representatives judiciary committees by January 15 of each odd-numbered year.

Sec. 5. [244.14] [INTENSIVE SUPERVISION; BASIC ELEMENTS.]

Subdivision 1. [REQUIREMENTS.] This section governs the intensive supervision programs established under section 4. The commissioner shall operate the programs in conformance with this section. The commissioner shall administer the programs to further the following goals:

- (1) to punish the offender;*
- (2) to protect the safety of the public;*
- (3) to facilitate employment of the offender during the intensive supervision sentence and afterward; and*
- (4) to require the payment of restitution ordered by the court to compensate the victims of the offender's crime and the payment of fines, court costs, and public defender costs.*

Subd. 2. [SANCTIONS.] The commissioner shall provide for immediate incarceration for the balance of the imprisonment sentence that was stayed by the sentencing court or for the balance of the term of supervised release, with credit for the time served on intensive supervision of an offender who:

- (1) fails to cooperate with the probation officer;*
- (2) violates the rules of the program;*
- (3) commits any gross misdemeanor or felony offense; or*
- (4) presents a risk to the public, based on the offender's behavior, attitude, or abuse of alcohol or controlled substances.*

Subd. 3. [ALL PHASES.] Throughout all phases of intensive supervision, the offender shall submit at any time to an unannounced search of the offender's person, vehicle, or premises by a probation officer. If the offender received a restitution order as part of the sentence, the offender shall make weekly payments as scheduled by the probation officer, until the full amount is paid.

Sec. 6. [244.15] [INTENSIVE SUPERVISION; PHASES I TO IV.]

Subdivision 1. [DURATION.] Phase I of an intensive supervision sentence is six months, or one-half the presumptive imprisonment sentence under the sentencing guidelines, whichever is less. Phase II lasts for at least four months. Phase III lasts for at least two months. Phase IV continues indefinitely until the commissioner determines that the level of supervision can be modified.

Subd. 2. [RANDOM DRUG TESTING.] (a) During phase I, the offender will be subjected to weekly urinalysis and breath alcohol tests to detect

the presence of controlled substances or alcohol. The tests will be random and unannounced.

(b) During phase II, the tests will be done twice monthly.

(c) During phases III and IV, the tests will be done at random at the frequency determined by the probation officer.

Subd. 3. [HOUSE ARREST.] (a) During phase I, the offender will be under house arrest in a residence approved by the offender's probation officer, and may not move to another residence without permission. "House arrest" means that the offender's movements will be severely restricted and continually monitored by the assigned probation officer.

(b) During phase II, modified house arrest is imposed.

(c) During phases III and IV, the offender is subjected to a daily curfew instead of house arrest.

Subd. 4. [FACE-TO-FACE CONTACTS.] (a) During phase I, the assigned probation officer shall have at least four face-to-face contacts with the offender each week.

(b) During phase II, two face-to-face contacts a week are required.

(c) During phase III, one face-to-face contact a week is required.

(d) During phase IV, two face-to-face contacts a month are required.

Subd. 5. [WORK REQUIRED.] During phases I, II, III, and IV, the offender must spend at least 40 hours a week performing approved work, undertaking constructive activity designed to obtain employment, or attending a treatment or education program as directed by the sentencing court. An offender may not serve more than six months of the intensive supervision sentence in a residential treatment program that does not require the offender to spend at least 40 hours a week performing approved work or undertaking constructive activity designed to obtain employment.

Subd. 6. [ELECTRONIC SURVEILLANCE.] During any phase, the offender may be placed on electronic surveillance if the probation officer so directs.

*Sec. 7. Minnesota Statutes 1988, section 609.10, is amended to read:
609.10 [SENTENCES AVAILABLE.]*

Upon conviction of a felony and compliance with the other provisions of this chapter the court, if it imposes sentence, may sentence the defendant to the extent authorized by law as follows:

(1) to life imprisonment; or

(2) to imprisonment for a fixed term of years set by the court; or

(3) to both imprisonment for a fixed term of years and payment of a fine; or

(4) to payment of a fine without imprisonment or to imprisonment for a fixed term of years if the fine is not paid; or

(5) to payment of court-ordered restitution in addition to either imprisonment or payment of a fine, or both; or

(6) in addition to a stayed imprisonment sentence, to an intensive supervision sentence as authorized by section 3, in addition to any combination

of the following:

- (i) incarceration for up to 12 months;
- (ii) payment of court-ordered restitution; and
- (iii) payment of a fine.

Sec. 8. Minnesota Statutes 1989 Supplement, section 609.115, subdivision 1, is amended to read:

Subdivision 1. [PRESENTENCE INVESTIGATION.] When a defendant has been convicted of a misdemeanor or gross misdemeanor, the court may, and when the defendant has been convicted of a felony, the court shall, before sentence is imposed, cause a presentence investigation and written report to be made to the court concerning the defendant's individual characteristics, circumstances, needs, potentialities, criminal record and social history, the circumstances of the offense and the harm caused by it to others and to the community. At the request of the prosecutor in a gross misdemeanor case, the court shall order that a presentence investigation and report be prepared. When the crime is a felony violation of chapter 152 involving the sale or distribution of a controlled substance, the report shall include a description of any adverse social or economic effects the offense has had on persons who reside in the neighborhood where the offense was committed.

The report shall also include the information relating to crime victims required under section 611A.037, subdivision 1. If the court directs, the report shall include an estimate of the prospects of the defendant's rehabilitation and recommendations as to the sentence which should be imposed. *The court may also direct that the report include a recommendation whether the offender should be sentenced to intensive supervision and a psychological evaluation of the offender's suitability for intensive supervision.* In misdemeanor cases the report may be oral.

When a defendant has been convicted of a felony, and before sentencing, the court shall cause a sentencing worksheet to be completed to facilitate the application of the Minnesota sentencing guidelines. The worksheet shall be submitted as part of the presentence investigation report.

The investigation shall be made by a probation officer of the court, if there is one, otherwise by the commissioner of corrections. The officer conducting the presentence or predispositional investigation shall make reasonable and good faith efforts to contact the victim of that crime and to provide that victim with the information required under section 611A.037, subdivision 2.

Pending the presentence investigation and report, the court with the consent of the commissioner may commit the defendant to the custody of the commissioner of corrections who shall return the defendant to the court when the court so orders.

Presentence investigations shall be conducted and summary hearings held upon reports and upon the sentence to be imposed upon the defendant in accordance with this section, section 244.10, and the rules of criminal procedure.

Sec. 9. Minnesota Statutes 1988, section 609.135, subdivision 1, is amended to read:

Subdivision 1. [TERMS AND CONDITIONS.] Except when a sentence

of life imprisonment is required by law, or when a mandatory minimum term of imprisonment is required by section 609.11, any court may stay imposition or execution of sentence and (a) may order noninstitutional sanctions without placing the defendant on probation, or (b) may place the defendant on probation with or without supervision and on the terms the court prescribes, including noninstitutional sanctions when practicable, or (c) may place the defendant on intensive community supervision as provided under section 3. The court may order the supervision to be under the probation officer of the court, or, if there is none and the conviction is for a felony or gross misdemeanor, by the commissioner of corrections, or in any case by some other suitable and consenting person. No noninstitutional sanction may be ordered performed at a location that fails to observe applicable requirements or standards of chapter 181A or 182, or any rule promulgated under them. For purposes of this subdivision, subdivision 6, and section 609.14, the term "noninstitutional sanctions" includes but is not limited to restitution, fines, community work service, and work in lieu of or to work off fines.

A court may not stay the revocation of the driver's license of a person convicted of violating the provisions of section 169.121.

Sec. 10. [EFFECTIVE DATE.]

Sections 1 to 9 are effective August 1, 1990, and apply to crimes committed on or after that date.

ARTICLE 3

POSSESSION OF CONTROLLED SUBSTANCES

IN A VEHICLE

Section 1. Minnesota Statutes 1988, section 169.122, is amended to read:

169.122 [OPEN BOTTLE LAW; ~~PENALTY POSSESSION OF CONTROLLED SUBSTANCE AND MARIJUANA PROHIBITED; PENALTIES.~~]

Subdivision 1. [POSSESSION OF INTOXICATING LIQUOR PROHIBITED.] (a) No person shall drink or consume intoxicating liquors or non-intoxicating malt liquors in any motor vehicle when such vehicle is upon a public highway.

~~Subd. 2.~~ (b) No person shall have in possession on the person while in a private motor vehicle upon a public highway, any bottle or receptacle containing intoxicating liquor or nonintoxicating malt liquor which has been opened, or the seal broken, or the contents of which have been partially removed.

~~Subd. 3.~~ (c) It shall be unlawful for the owner of any private motor vehicle or the driver, if the owner be not then present in the motor vehicle, to keep or allow to be kept in a motor vehicle when such vehicle is upon the public highway any bottle or receptacle containing intoxicating liquors or nonintoxicating malt liquors which has been opened, or the seal broken, or the contents of which have been partially removed except when ~~such~~ *the* bottle or receptacle ~~shall be~~ *is* kept in ~~the trunk of the motor vehicle when such vehicle is equipped with a trunk, or kept in some other~~ *an* area of the vehicle not normally occupied by the driver or passengers; ~~if the motor vehicle is not equipped with a trunk. A utility compartment or glove compartment shall be deemed to be within the area occupied by the driver~~

and passengers.

~~Subd. 4. (d) Whoever violates the provisions of subdivisions 1 to 3 paragraphs (a) to (c) is guilty of a misdemeanor.~~

Subd. 2. [POSSESSION OF MARIJUANA IN A MOTOR VEHICLE PROHIBITED.] A person is guilty of a misdemeanor if:

(1) the person is the owner of a private motor vehicle, or is the driver of the motor vehicle if the owner is not present;

(2) the vehicle is on the public highway; and

(3) the person possesses on the person, or knowingly keeps or allows to be kept more than 1.4 grams of marijuana within the area of the vehicle normally occupied by the driver or passengers.

Subd. 3. [POSSESSION OF A CONTROLLED SUBSTANCE IN A MOTOR VEHICLE PROHIBITED.] (a) 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 is the owner of a private motor vehicle, or is the driver of the motor vehicle if the owner is not present;

(2) the vehicle is on the public highway; and

(3) the person unlawfully possesses on the person, or knowingly keeps or allows to be kept within the area of the vehicle normally occupied by the driver or passengers, any amount of a controlled substance classified in schedule I, II, III, or IV, except marijuana.

(b) A prosecution or conviction of the crime of unlawfully possessing a controlled substance in a motor vehicle as defined in paragraph (a) is not a bar to conviction of any other crime committed while unlawfully possessing the controlled substance in a motor vehicle.

Subd. 4. [AREA NORMALLY OCCUPIED.] For purposes of this section, the area of the vehicle normally occupied by the driver and passengers includes a utility or glove compartment, but does not include the trunk of the vehicle if equipped with a trunk or another area of the vehicle not normally occupied by passengers if the vehicle is not equipped with a trunk.

Sec. 2. Minnesota Statutes 1988, section 609.035, is amended to read:
609.035 [CRIME PUNISHABLE UNDER DIFFERENT PROVISIONS.]

Except as provided in sections 169.122, subdivisions 2 and 3, 609.251, 609.585, 609.21, subdivisions 3 and 4, 609.2691, and 609.856, if a person's conduct constitutes more than one offense under the laws of this state, the person may be punished for only one of the offenses and a conviction or acquittal of any one of them is a bar to prosecution for any other of them. All the offenses, if prosecuted, shall be included in one prosecution which shall be stated in separate counts.

Sec. 3. [REPEALER.]

Minnesota Statutes 1989 Supplement, section 152.027, subdivision 3, is repealed.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective August 1, 1990, and apply to crimes committed on or after that date.

ARTICLE 4 APPROPRIATIONS

Section 1. [APPROPRIATION.]

(a) \$650,000 is appropriated from the general fund to the commissioner of corrections as a match to federal funds to create pilot programs to provide intensive probation and supervised release programs.

(b) \$34,000 is appropriated from the general fund to the commissioner of public safety as a match to federal funds for the drug abuse resistance education training center.

(c) \$225,000 is appropriated from the general fund to the commissioner of public safety as a match to federal funds to expand the community-based crime and drug prevention programs through the office of drug policy.

(d) \$500,000 is appropriated to the commissioner of corrections as a match to federal funds for the expansion of sentencing to service and work release correctional programs and the development of intermediate sentencing alternatives.

(e) \$500,000 is appropriated to the commissioner of corrections as a match to federal funds for the development of pilot chemical dependency programs in local correctional facilities for adults and juveniles.

(f) \$500,000 is appropriated to the commissioner of corrections for the expansion of chemical dependency treatment programs in state adult and juvenile correctional institutions.

(g) \$18,750 is appropriated to the commissioner of corrections as a match to federal funds for the development of pilot drug testing programs to be used as a condition of pretrial release and probation for all defendants and offenders, respectively, with drug related histories.

(h) \$31,250 is appropriated to the commissioner of corrections as a match to federal funds for the development of pilot programs in local jurisdictions for the purpose of conducting chemical dependency assessments for drug offenders and selected other felony offenders.

(i) \$200,000 is appropriated to the commissioner of corrections for the expansion of programs for victims of domestic assault and abuse due to drugs and alcohol.

(j) \$50,000 is appropriated to the commissioner of public safety for implementation of article 1, sections 7 to 11.

(k) \$350,000 is appropriated to the commissioner of public safety for contracting with providers for expanded drug prevention support services for high-risk target groups and communities.

(l) \$50,000 is appropriated from the general fund to the commissioner of public safety to be used to reimburse juvenile courts for chemical use assessments as provided in article 1, section 12."

Delete the title and insert:

"A bill for an act relating to controlled substances; allowing prosecution

in any county of controlled substance offenses involving sales of amounts aggregated over a 120-day period; providing that cocaine base is weighed as a mixture for purposes of first, second, and third degree controlled substance crimes; prohibiting the importing of controlled substances into the state; requiring the reporting of transactions involving substances that are precursors to controlled substances; providing for administrative forfeiture of dangerous weapons found in proximity to controlled substances; providing for representation by the public defender of persons filing for judicial review of a forfeiture; providing that period for filing for judicial review of a forfeiture begins when an interpreter is provided for persons handicapped in communication; defining controlled substances for purposes of reporting prenatal exposure to controlled substances; requiring adoption of day-fine system by each judicial district; providing for an intensive supervision program; creating pilot programs to require drug and alcohol testing as a condition of probation; creating pilot programs to provide chemical dependency treatment services in juvenile and adult jails and correctional facilities; creating pilot programs to require chemical dependency assessments for drug offenders; prohibiting possession of controlled substances in motor vehicles; appropriating money; amending Minnesota Statutes 1988, sections 169.122; 241.26, subdivision 2; 244.05, by adding a subdivision; 260.151, subdivision 1; 609.035; 609.10; 609.135, subdivision 1, and by adding a subdivision; 609.5314, subdivisions 2 and 3; 611.14; 611.32; 626.556, subdivision 4; 631.40; Minnesota Statutes 1989 Supplement, sections 152.021; 152.022; 152.023, subdivision 2; 152.028, subdivision 2, and by adding a subdivision; 609.115, subdivision 1; 609.5314, subdivision 1; 626.556, subdivision 2; 626.5561, subdivisions 1, 3, 4, and by adding a subdivision; and 626.5562, subdivisions 1, 2, and 4; proposing coding for new law in Minnesota Statutes, chapters 152; 244; 290; and 299A; repealing Minnesota Statutes 1989 Supplement, section 152.027, subdivision 3."

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 2011: A bill for an act relating to health; clarifying variance authority regarding training standards for ambulance attendants; establishing a state emergency medical services advisory council; amending Minnesota Statutes 1989 Supplement, section 144.804, subdivision 1; and proposing coding for new law in Minnesota Statutes, chapter 144.

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

Page 2, line 10, delete "*There is*"

Page 2, line 11, delete "*established an*" and insert "*The*" and delete "*to*" and insert "*shall*"

Page 2, line 12, delete the first "*to*" and delete the second "*to*"

Page 2, lines 17 and 18, delete "*, but not be limited to,*"

Page 2, line 22, delete "*shall consist*" and insert "*consists*" and delete everything after the first "*members*"

Page 2, line 23, after "*health*" insert "*to three-year terms*" and delete

“shall consist of” and insert “must include”

Page 2, after line 33, insert:

“(b) The compensation and removal of members and the expiration of the council are governed by section 15.059.

Sec. 3. [INITIAL APPOINTMENTS]”

Page 2, line 34, delete “(b)”

Page 2, line 36, delete everything after the period

Page 3, line 1, delete everything before the first “A”

Page 3, line 2, delete “shall” and insert “may”

Page 3, delete lines 4 and 5

Page 3, line 8, delete “Section 2 is” and insert “Sections 2 and 3 are”

Renumber the sections in sequence

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F. No. 2346: A bill for an act relating to the state building code; accessibility for the physically disabled; establishing an access review board; providing for review of applications for permission to provide accessibility by means of stairway chair lifts; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 471.

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2478: A bill for an act relating to human services; clarifying medical assistance payment rate procedures for hospitals; allowing case management for certain recipients of medical assistance; amending verification of pregnancy requirements for medical assistance eligibility; clarifying eligibility requirements for medical assistance and general assistance medical care; clarifying asset and income allowances for institutionalized spouses; clarifying services to be covered by medical assistance; establishing requirements for a relative's responsibility; expanding the homestead exclusion for medical assistance eligibility; establishing procedures for a vendor's request for a contested case proceeding; establishing requirements for claims against the estate of a recipient; clarifying procedures for enforcement of medical support; amending Minnesota Statutes 1988, sections 13.46, subdivision 5; 256B.04, subdivision 15; 256B.055, subdivisions 3, 5, and 6; 256B.056, subdivisions 2, 7, and by adding a subdivision; 256B.0625, subdivisions 4, 5, 9, and by adding subdivisions; 256B.15; 256B.19, by adding a subdivision; 256B.69, subdivision 3; 256D.03, subdivisions 3 and 7; 518.171, subdivisions 1, 3, 4, and 7; Minnesota Statutes 1989 Supplement, sections 256.969, subdivisions 2c and 6a; 256.9695, subdivisions 1 and 3; 256B.055, subdivision 7; 256B.056, subdivisions 3 and 4; 256B.057, subdivisions 1, 2, and by adding subdivisions; 256B.0575;

256B.059, subdivisions 4 and 5; 256B.0595, subdivisions 1, 2, and 4; 256B.14; 256B.69, subdivision 16; 256D.03, subdivision 4; Laws 1989, chapter 282, article 3, section 98, subdivisions 4 and 5; proposing coding for new law in Minnesota Statutes, chapter 256B; repealing Minnesota Statutes 1989 Supplement, section 256B.055, subdivision 8.

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

Page 26, line 10, after "*restorations*" insert "*that are cost-effective*" and delete "*with disabilities*"

Page 26, line 11, delete "*disability*" and insert "*medical condition*"

Page 28, delete line 36

Page 29, delete lines 1 to 5

Page 29, line 6, delete "4" and insert "3"

Page 29, line 12, delete "5" and insert "4"

Page 30, delete lines 28 to 35 and insert:

"*Subd. 3. [MINOR, BLIND, OR DISABLED CHILDREN.] If a decedent who was single, or who was the surviving spouse of a married couple, is survived by a child who is under age 21 or blind or permanently and totally disabled according to the supplemental security income program criteria, no claim shall be filed against the estate.*

Subd. 4. [OTHER SURVIVORS.] If the decedent who was single or the surviving spouse of a married couple is survived by one of the following persons, a claim exists against the estate in an amount not to exceed the value of the non-homestead property included in the estate:"

Page 30, line 36, delete "(c)" and insert "(a)"

Page 31, line 4, delete "(d)" and insert "(b)"

Page 31, line 36, delete "1988" and insert "1989 Supplement"

Page 38, after line 35, insert:

"Sec. 41. Minnesota Statutes 1989 Supplement, section 256D.425, subdivision 3, is amended to read:

Subd. 3. [TRANSFERS.] The transfer policies and procedures of the Minnesota supplemental aid program are those used by the medical general assistance medical care program under section ~~256B.17~~ 256D.03, subdivision 3, paragraph (e), except that a resource that is transferred while otherwise excluded under subdivision 2 is not an available resource for purposes of eligibility for Minnesota supplemental aid."

Page 41, after line 29, insert:

"Sec. 48. [RULES RELATING TO MENTAL HEALTH PRACTITIONERS.]

The commissioner of human services shall adopt or amend rules to allow a mental health practitioner with only a bachelor's degree to provide mental health services under clinical supervision when employed by a private, nonprofit agency specializing in mental health services to low income children under age 15. To be eligible, the mental health practitioner must have provided outpatient mental health services, with a primary emphasis

on family-oriented mental health services, to children under age 15 under clinical supervision for at least ten years after receiving a bachelor's degree."

Page 41, delete lines 35 and 36 and insert "*effective for all claims filed for deaths occurring on and after the date of enactment.*"

Subd. 2. Section 23 is effective the day after final enactment."

Page 42, delete lines 1 to 14

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 25, delete "subdivisions 3 and" and insert "subdivision"

Page 1, line 33, delete "subdivision 4;" and insert "subdivisions 3 and 4; 256D.425, subdivision 3;"

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

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 2375: A bill for an act relating to workers' compensation; providing for loggers; requiring the commissioner of labor and industry to study issues concerning loggers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 176.

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

Page 2, line 21, delete "*shall*" and insert "*must*"

Page 2, line 22, delete "*maintain a separate*"

Page 2, delete line 23

Page 2, line 24, delete "*this section and shall*"

Page 3, line 3, delete "25" and insert "40"

Page 3, line 7, delete "*shall*" and insert "*must*"

Page 3, line 8, delete "*shall*" and insert "*may*"

Page 3, line 10, after the period, insert "*All revenue collected from this assessment must be deposited in a separately maintained account in the special compensation fund for the payment of rebates under subdivision 6 and the loggers safety and education program under subdivision 11.*"

Page 3, line 31, after "*section*" insert a comma

Page 3, delete line 32

Page 3, line 33, delete "*this purpose*" and insert "*is appropriated to and*" and delete "*shall*" and insert "*must*"

Page 4, lines 28 and 33, delete "*shall*" and insert "*must*"

Pages 4 and 5, delete section 2

Page 5, line 25, delete "5" and insert "4"

Re-number the sections in sequence

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

Mrs. Lantry from the Committee on General Legislation and Public Gaming, to which was referred

S.F. No. 2018: A bill for an act relating to lawful gambling; defining lawful purposes for expenditures of gambling profits; establishing licensing qualifications for organizations and manufacturers; requiring organizations to report monthly on expenditures and contributions of gambling profits; authorizing the gambling control board to require recipients of contributions of gambling profits to register with the board; authorizing summary suspension of gambling licenses for failure to file tax returns; authorizing a limited number of video pull-tab devices and establishing standards and requirements for them; requiring inspection and testing of gambling equipment; requiring permits for gambling premises; requiring gambling managers to be licensed; requiring that employees of organizations conducting lawful gambling be registered with the board; expanding allowable uses for revenue from local gambling taxes and requiring board approval of these taxes; abolishing lawful gambling on July 1, 1993; amending Minnesota Statutes 1988, sections 349.12, subdivision 10, and by adding subdivisions; 349.16, as amended; 349.17, as amended; 349.18, as amended; 349.19, as amended; 349.212, subdivision 5; 349.2121, subdivisions 1 and 4a; 349.2123; 349.30, subdivision 2; 349.31; 349.32; 349.34; 349.35, subdivision 1; 349.36; 349.38; 349.39; 349.50, subdivision 8; 349.55; 609.75, subdivision 4; Minnesota Statutes 1989 Supplement, sections 299L.03, by adding a subdivision; 340A.410, subdivision 5; 349.12, subdivisions 12 and 15; 349.151, subdivision 4; 349.152, subdivision 2, and by adding subdivisions; 349.161, as amended; 349.162; 349.163, as amended; 349.164; 349.2121, subdivision 2; 349.2122; 349.213, subdivision 2; 609.75, subdivision 3; 609.761, subdivision 1; Minnesota Statutes Second 1989 Supplement, sections 349.12, subdivisions 11 and 19; and 349.212, subdivisions 1 and 4; Laws 1989, First Special Session chapter 1, article 13, section 27; proposing coding for new law in Minnesota Statutes, chapter 349; repealing Minnesota Statutes 1988, sections 349.11, as amended; 349.12, as amended; 349.13; 349.14; 349.15, as amended; 349.16, as amended; 349.161, as amended; 349.162, as amended; 349.163, as amended; 349.164, as amended; 349.17, as amended; 349.18, as amended; 349.19, as amended; 349.211; 349.212, as amended; 349.2121, as amended; 349.2122, as amended; 349.2123; 349.2124; 349.2125, as amended; 349.2127, as amended; 349.213, as amended; 349.214, subdivisions 1, 1a, 3, and 4; 349.22, as amended; 349.23; Minnesota Statutes 1989 Supplement, sections 349.151, subdivisions 1, 2, 4, 4a, and 5; 349.152; 349.153; 349.20; 349.21; 349.215; 349.2151; 349.2152; 349.216; 349.217; 349.2171; 349.218; 349.219; Minnesota Statutes Second 1989 Supplement, section 349.214, subdivision 2.

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

Page 3, after line 3, insert:

"Sec. 5. Minnesota Statutes 1988, section 349.12, is amended by adding a subdivision to read:

Subd. 10b. [VIDEO PULL-TAB DEVICE MEMORY CHIP] "Video pull-tab device memory chip" means a read-only memory chip used or intended

for use in driving a video pull-tab device."

Page 4, line 25, delete "17" and insert "20"

Page 5, line 2, delete everything after "*process*" and insert a semicolon

Page 5, delete line 3

Page 5, line 11, delete "*or*"

Page 5, line 15, before the period, insert " ;

(9) if approved by the board, construction, improvement, expansion, maintenance, and repair of athletic fields and ice rinks and their appurtenances, owned by the organization or a public agency, provided that the organization may not use gambling profits as collateral for a loan to finance the construction, improvement, expansion, maintenance, or repair; or

(10) an expenditure for payment of local taxes authorized under this chapter, taxes imposed by the United States on receipts from lawful gambling, and the tax imposed by section 349.212, subdivision 4"

Page 6, after line 13, insert:

"Sec. 9. Minnesota Statutes 1988, section 349.12, subdivision 18, is amended to read:

Subd. 18. [DEAL.] "Deal" means each separate package, or series of packages, consisting of one game of pull-tabs or tipboards with the same serial number, *and also includes a video pull-tab device memory chip."*

Page 7, after line 10, insert:

"Sec. 15. Minnesota Statutes Second 1989 Supplement, section 349.15, is amended to read:

349.15 [USE OF GROSS PROFITS.]

(a) Gross profits from lawful gambling may be expended only for lawful purposes or allowable expenses as authorized at a regular meeting of the conducting organization. Provided that no more than ~~55~~ 60 percent of the gross profit less the tax imposed under section 349.212, subdivision 1, from bingo, and no more than 50 percent of the gross profit less the taxes imposed by section 349.212, subdivisions 1, 4, and 6, from other forms of lawful gambling, may be expended for allowable expenses related to lawful gambling.

(b) The board shall provide by rule for the administration of this section, including specifying allowable expenses. The rules must specify that no more than one-third of the annual premium on a policy of liability insurance procured by the organization may be taken as an allowable expense. This expense shall be allowed by the board only to the extent that it relates directly to the conduct of lawful gambling and is verified in the manner the board prescribes by rule. The rules may provide a maximum percentage of gross profits which may be expended for certain expenses.

(c) Allowable expenses also include reasonable costs of bank account service charges, and the reasonable costs of an audit required by the board, except an audit required under section 349.19, subdivision 9.

(d) Allowable expenses include reasonable legal fees and damages that relate to the conducting of lawful gambling, except for legal fees or damages

incurred in defending the organization against the board, attorney general, United States attorney, commissioner of revenue, or a county or city attorney.”

Page 12, line 8, after the headnote, insert “(a)”

Page 12, line 10, delete “following”

Page 12, line 11, before “if” insert “in paragraphs (b) to (h)”

Page 12, line 14, delete “(a)” and insert “(b)”

Page 12, line 19, delete “(b)” and insert “(c)”

Page 12, line 21, delete “(c)” and insert “(d)”

Page 12, line 23, delete “(d)” and insert “(e)”

Page 12, line 30, delete “(e)” and insert “(f)”

Page 12, line 33, delete “(f)” and insert “(g)”

Page 12, line 36, delete “(g)” and insert “(h)”

Page 15, line 34, strike “past” and insert “last”

Page 17, line 33, after “[QUALIFICATIONS.]” insert “A license may not be issued under this section to a licensed distributor. In addition,”

Page 18, line 2, delete “past” and insert “last”

Page 18, line 13, delete “All prohibitions” and insert “A prohibition”

Page 18, line 15, delete “apply” and insert “applies”

Page 19, line 1, delete “On and” and delete “January 1, 1991” and insert “December 31, 1990”

Page 19, line 2, after “sell” insert “: (1)”

Page 19, line 3, delete the period and after the second quotation mark, insert “; or (2) a video pull-tab device memory chip that is not programmed to display on the screen at all times when the device is in operation the words “For Sale in Minnesota Only” and a serial number unique to the chip.”

Page 19, after line 32, insert:

“The board may require that a distributor submit the monthly report and invoices required in this subdivision via magnetic media or electronic data transfer.”

Page 22, line 5, delete “or”

Page 22, line 6, delete “on and” and delete “January 1, 1991” and insert “December 31, 1990”

Page 22, line 8, delete the period and after the second quotation mark, insert “; or

(4) after December 31, 1990, sell a paper pull-tab outside this state that is marked with the words “For Sale in Minnesota Only.””

Page 22, line 26, delete “samples”

Page 22, line 27, after “board” insert “one or more samples”

Page 22, line 30, after the period, insert “Samples required under this subdivision must be approved by the board before the equipment being

sampled is sold in this state."

Page 23, line 19, after "position" insert "*a person*"

Page 23, line 20, strike "past" and insert "*last*"

Page 23, line 25, delete "*or*"

Page 23, line 26, after "(4)" insert "*has had a sales and use tax permit revoked by the commissioner of revenue within the last two years; or (5)*"

Page 24, line 3, delete "*an*"

Page 25, line 18, delete "*Each*" and insert "*An*"

Page 25, line 32, after "*board*" insert "*in writing*"

Page 27, line 17, delete "(c)" and insert "(b)"

Page 27, line 18, delete "(b)" and insert "(a)"

Page 27, line 22, delete "(d)" and insert "(c)"

Page 27, line 24, delete "(e)" and insert "(d)"

Page 27, line 29, delete "(f)" and insert "(e)"

Page 27, lines 34 and 35, delete "*The provisions of*"

Page 29, line 34, delete "*that*" and delete "*person registering*" and insert "*registrant to*"

Page 29, line 35, delete "*must*"

Page 30, line 20, delete "*and*"

Page 30, line 22, after the period, insert "*The board may by rule allow other persons not active members of the organization to receive compensation.*"

Page 32, lines 15 and 16, strike "*shall be*" and insert "*is*"

Page 34, line 2, after the second "*number*" insert "*, the model number, and the name of the manufacturer*"

Page 34, line 4, delete "*such*" and delete "*as*"

Page 34, after line 13, insert:

"(d) The license must specify by name the persons whom the board has authorized to have access to the device, and the extent of the access. The board may not authorize a person to have access who is not: (1) an active member of the licensed organization applying for the license; or (2) a licensed distributor or an employee thereof. No person other than a licensed peace officer or an authorized employee of the board, the commissioner of revenue or the commissioner of public safety may obtain or attempt to obtain access to a device or to any of its parts or components unless the person is named on the license and authorized by the board to have access."

Page 34, line 24, delete "*to*" and insert "*for*" and delete "*it has*" and insert "*that has first been tested and certified, by a laboratory approved by the board, as being*"

Page 34, line 25, delete "*determined is*"

Page 35, line 4, delete "*must*" and insert "*shall*"

Page 35, line 13, after the period, insert "*The chip must be secured within the device by a strip of security tape of a type approved by the board, capable of evidencing the removal of the chip from its memory board.*"

Page 35, line 33, after the period, insert "*If the information is displayed on the video screen it must be displayed at all times when the machine is operable but not being played.*"

Page 36, line 7, delete the second "*and*"

Page 36, line 8, before the period, insert "*; and
(7) other information the board by rule requires*"

Page 36, delete lines 13 to 31 and insert:

"(e) A video pull-tab device must contain electronic accounting meters that are maintained at all times, including when the game is not being supplied with external power. The following information must be recorded and stored on a meter capable of maintaining totals of not less than eight digits:

- (1) total coins and bills inserted by players, and their value;*
- (2) total credits wagered;*
- (3) total credits won; and*
- (4) total credits paid out by printed ticket voucher.*

The following information must be recorded and stored on a meter capable of maintaining totals of not less than six digits:

- (1) the number of times access was obtained to the compartment containing the memory chip;*
- (2) the number of chances played on the memory chip; and*
- (3) the number of cumulative credits representing credits won and money inserted by a player but not redeemed or played off.*

The electronic accounting meters described in this paragraph may be cleared only by an employee of the board, or by an authorized person in the presence of an employee of the board. The organization to which the device was leased must make a written record of the readings before and after clearing. The record must include the reason why the meter was cleared. A separate record must be made for each meter cleared. If the record is kept by an authorized person, a copy must be provided to the board."

Page 36, line 32, delete "*(h)*" and insert "*(f)*"

Page 36, line 34, delete "*(i)*" and insert "*(g)*"

Page 37, line 2, delete "*(j)*" and insert "*(h)*"

Page 37, after line 15, insert:

"Subd. 6. [HARDWARE REQUIREMENTS.] (a) A video pull-tab device must have:

- (1) a surge protector for all power fed to the device;*
- (2) a power switch located in an accessible place inside the device that controls the electrical current that powers the device;*

(3) a separate secure compartment for holding coins or currency, with a key or combination different from that used for unlocking any other part of the device; and

(4) a battery back-up or its equivalent that allows the electronic meters of the device to maintain accurate readings of the following information for not less than 180 days after power is discontinued to the device:

(i) current and total tallies for amounts wagered and paid out;

(ii) records of access to the logic board compartment;

(iii) records of access to the cash and coin compartments; and

(iv) other information the board by rule requires.

(b) A video pull-tab device must not have:

(1) a hardware switch capable of altering the payment tables or payout percentages of the device; or

(2) a mechanism or program that will cause the electronic accounting meters to clear automatically.

(c) A video pull-tab device and its components must not be capable of being adversely affected by static discharge, radio frequency interference, or other electromagnetic interference.

(d) Logic boards, memory chips, and other logic control components of a video pull-tab device must be located in a locked compartment that is separate from any other compartment. The key or combination of this compartment must be different from that used for unlocking any other part of the device.

(e) A video pull-tab device must not be capable of being activated by a credit card."

Page 37, line 16, delete "6" and insert "7"

Page 37, line 18, delete ", which location must be" and insert "and"

Page 37, delete lines 19 and 20 and insert "The board may not approve a location unless the sale of alcoholic beverages at on-sale is authorized at the location under chapter 340A. The board"

Page 37, line 27, delete the second "any" and insert "a"

Page 37, line 35, delete "7" and insert "8"

Page 38, line 7, after the period, insert "No person under age 18 may wager on or receive a prize from a video pull-tab device."

Page 38, line 8, delete "8" and insert "9"

Page 38, line 16, delete "9" and insert "10"

Page 38, line 21, delete "10" and insert "11"

Page 38, line 25, delete "specification and board approval of all persons who" and insert "procedures and criteria for authorization of persons to"

Page 38, line 27, delete "and"

Page 38, after line 27, insert:

"(3) methods for determining the randomness of prize distribution on a memory chip; and"

Page 38, line 28, delete "(3)" and insert "(4)"

Page 42, line 15, delete "13" and insert "20"

Page 43, lines 2 to 13, strike the old language and delete the new language

Page 43, after line 22, insert:

"Sec. 36. Minnesota Statutes 1988, section 349.211, is amended by adding a subdivision to read:

Subd. 5. [PULL-TAB AND TIPBOARD PAYOUT.] The total amount awarded in prizes on a pull-tab or tipboard deal must not exceed 77 percent of the ideal gross of the deal."

Page 43, line 25, strike "There is hereby imposed" and after "tax" insert "is imposed"

Page 44, after line 2, insert:

"Sec. 38. Minnesota Statutes Second 1989 Supplement, section 349.212, subdivision 2, is amended to read:

Subd. 2. [COLLECTION; DISPOSITION.] The taxes imposed by this section are due and payable to the commissioner of revenue at the time when the gambling tax return is required to be filed. Returns covering the taxes imposed under this section must be filed with the commissioner of revenue on or before the 20th day of the month following the close of the previous calendar month. The commissioner may require that the returns be filed via magnetic media or electronic data transfer. The proceeds, along with the revenue received from all license fees and other fees under sections 349.11 to 349.21 and 349.211, 349.212, and 349.213, must be paid to the state treasurer for deposit in the general fund."

Page 44, line 5, strike everything after "(a)"

Page 44, line 6, after "tax" insert "is imposed"

Page 45, line 4, delete "manufacturer" and insert "distributor" and delete the second comma

Page 45, lines 6 and 7, delete "manufacturer's" and insert "distributor's"

Page 45, line 10, strike "349.214" and insert "28"

Page 45, line 24, strike "may" and insert "shall"

Page 45, lines 24 and 25, delete "with the prior approval of the board"

Page 45, lines 29 to 36, delete the new language and insert "Of the revenue from the tax, at least 66 percent must be used for lawful gambling enforcement and regulation, and the remainder may be used for other law enforcement purposes. The portion of the revenue used for law enforcement purposes must not reduce the amount of money the city or county would otherwise appropriate for law enforcement purposes."

Page 46, line 1, after "(b)" insert "The rate of" and strike "may not exceed" and insert "is"

Page 47, line 25, delete everything after "who" and insert "supplies to an organization a replacement video pull-tab device memory chip"

Page 47, line 26, delete everything before "after" and after "chip" insert "being replaced"

Page 47, line 27, delete "*must*" and insert "*shall*" and after the first "*the*" insert "*replaced*"

Page 48, line 2, delete "*with unplayed chances*" and insert "*without having been put into play*"

Page 48, line 31, after the period, insert "*The commissioner may require that the report be submitted via magnetic media or electronic data transfer.*"

Page 50, line 26, strike "shall be had" and insert "*are held*"

Page 50, line 27, strike "shall have" and insert "*has the*"

Page 50, strike line 34

Page 50, line 35, strike everything before "*issuing*" and insert "*If an*" and after "*authority*" insert "*, on receipt of information from a peace officer described in section 349.33,*"

Page 51, line 1, strike "any such" and insert "*a*" and strike "then that" and insert "*the*"

Page 56, line 16, delete "*shall*"

Page 56, line 22, delete "*statute*" and insert "*status*"

Page 56, line 32, after "*study*" insert "*and report*"

Page 57, line 8, after "*349.14*" insert "*, 349.19, subdivision 9,*"

Page 57, line 10, delete "*section*" and insert "*sections*" and after "*4a;*" insert "*349.20; and 349.21;*"

Page 57, delete lines 13 and 14

Page 57, line 15, delete "*(c)*" and insert "*(b)*"

Page 57, line 26, delete "*(d)*" and insert "*(c)*"

Page 57, line 29, delete everything after "*4,*" and insert "*8, 10, 14, 22, 23, 33, 37, 39, 41, 42, 43, and 60 are*"

Page 57, line 30, delete "*26*" and insert "*27, 29*"

Page 57, line 31, delete everything before "*are*" and insert "*30, and 56*"

Page 57, line 32, delete "*52, 54, 56, and 58*" and insert "*57, 59, and 63*" and delete "*(c)*" and insert "*(b)*"

Page 57, line 33, delete "*58*" and insert "*63*" and delete "*(d)*" and insert "*(c)*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 18 to 20, delete "expanding allowable uses for revenue from local gambling taxes and requiring board approval of these taxes" and insert "requiring local gambling taxes and prescribing uses for revenue therefrom"

Page 1, line 22, delete "subdivision 10," and insert "subdivisions 10, 18,"

Page 1, line 24, after "amended;" insert "349.211, by adding a subdivision;"

Page 1, line 37, delete the second "and" and insert "349.15;"

Page 1, line 38, after "1" insert ", 2,"

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

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

S.F. No. 2230: A bill for an act relating to game and fish; private shooting preserves; license requirement; pheasant release; license fee; amending Minnesota Statutes 1988, section 97A.121, subdivisions 1 and 4a; Minnesota Statutes 1989 Supplement, section 97A.475, subdivision 18.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 97A.115, is amended to read:

97A.115 [ESTABLISHMENT OF ~~PRIVATE~~ SHOOTING PRESERVES.]

Subdivision 1. [LICENSES; RULES.] A person ~~must be licensed to~~ *may not operate a private shooting preserve without a license.* The commissioner may issue a license for a ~~privately owned and operated~~ *privately owned and operated* licenses to operate commercial shooting ~~preserve~~ *preserves and private shooting preserves* if the commissioner determines that it is in the public interest and *that there will not be an adverse effect on wild game bird populations.* Private shooting preserves may only be located outside of the pheasant range as determined by the commissioner. The commissioner may ~~make adopt~~ *make* rules to implement this section and section 97A.121.

Subd. 2. [GAME AVAILABLE.] Game that may be released and hunted in a licensed shooting preserve must be specified in the license and is limited to *adult pheasant, quail, and chukar partridge for private shooting preserves and adult pheasant, quail, chukar partridge, turkey, mallard duck, black duck, and other species designated by the commissioner for commercial shooting preserves.* These game birds must be pen hatched and raised.

Subd. 3. [SIZE OF PRESERVE.] A ~~private~~ shooting preserve must be *at least 40 but not more than 160 contiguous acres for private shooting preserves and at least 100 but not more than 1,000 contiguous acres, including any water area, for commercial shooting preserves.* A ~~preserve limited to duck hunting may be a minimum of 50 contiguous acres including water area.~~

Subd. 4. [POSTING OF BOUNDARIES.] The boundaries of a ~~private~~ shooting preserve must be clearly posted in a manner prescribed by the commissioner.

Subd. 5. [REVOCAION OF LICENSE.] The commissioner may revoke a ~~private~~ shooting preserve license if the licensee or persons authorized to hunt in the preserve have been convicted of a violation under this section or section 97A.121. After revocation, a new license may be issued in the discretion of the commissioner.

Sec. 2. Minnesota Statutes 1988, section 97A.121, is amended to read:

97A.121 [HUNTING IN PRIVATE SHOOTING PRESERVES.]

Subdivision 1. [HUNTER'S LICENSE.] *(a)* A person hunting *released birds* in a private shooting preserve must have the licenses required by law for the hunting of ~~game birds pheasants~~. ~~A nonresident may obtain a special private shooting preserve license that is valid for the entire preserve season for the same fee as a resident small game hunting license.~~

(b) A license is not required to hunt authorized game birds on a commercial shooting preserve.

Subd. 2. [SEASON.] *(a)* The open season for hunting in ~~private commercial~~ shooting preserves is ~~from July 15 through April 15~~ continuous. Sanctioned registered field trials in ~~private commercial~~ shooting preserves may be held from April 16 to July 14 after notification to the commissioner.

(b) The open season for hunting in a private shooting preserve is September 15 until December 31.

(c) The commissioner may restrict the open season after receiving a complaint, holding a public hearing, and finding that the population of wild game birds is in danger by hunting in the preserve.

Subd. 3. [OPERATOR MAY ESTABLISH RESTRICTIONS.] A private shooting preserve licensee may determine who is allowed to hunt in the preserve. In each preserve the licensee may establish the charge for taking game, the shooting hours, the season, limitations, and restrictions on the age, sex, and number of each species that may be taken by a hunter. These provisions may not conflict with this section or section 97A.115 and may not be less restrictive than any rule or order.

Subd. 4. [LIMITS AND MARKING OF GAME BIRDS.] *Except as provided in subdivision 4a*, the commissioner shall prescribe the minimum number of each authorized species that may be released and the percentage of each species that may be taken. The commissioner shall prescribe methods for identifying birds to be released.

Subd. 4a. [PHEASANTS.] *(a)* A private shooting preserve licensed to release pheasants ~~must~~ may release ~~at least 500 no more than 300~~ adult pheasants on the licensed shooting preserve area during the private shooting preserve hunting season. ~~At least 20 pheasants must be released within 14 days before a day that pheasants are hunted.~~ The number of pheasants harvested may not exceed 95 percent of the number of pheasants released during the private shooting preserve hunting season.

(b) A commercial shooting preserve must release at least 1,000 adult pheasants.

Subd. 5. [MARKING HARVESTED GAME.] Harvested game, except ducks that are marked in accordance with regulations of the United States Fish and Wildlife Service, must be ~~tagged with a self-sealing tag, identifying marked or identified by the~~ private shooting preserve in a manner prescribed by the commissioner. The commissioner ~~shall~~ may issue the tags or other markings at a cost of 15 cents each. The tag marking must remain attached on the bird while the bird is transported.

Subd. 6. [RECORD KEEPING.] A private shooting preserve licensee must maintain a registration book listing the names, addresses, and hunting license numbers, *if applicable*, of all hunters, the date when they hunted, the amount and species of game taken, and the tag numbers *or other*

markings affixed to each bird. A ~~record~~ shooting preserve must be kept keep records of the number of each species raised and purchased and the date and number of each species released. The records must be open to inspection by the commissioner at all reasonable times.

Sec. 3. Minnesota Statutes 1989 Supplement, section 97A.475, subdivision 18, is amended to read:

Subd. 18. [SHOOTING PRESERVES.] The fee for a shooting preserve license is ~~\$82.50~~:

- (1) for a private shooting preserve, \$100; and
- (2) for a commercial shooting preserve, \$500."

Amend the title as follows:

Page 1, line 4, delete "section 97A.121," and insert "sections 97A.115; and 97A.121;"

Page 1, line 5, delete "subdivisions 1 and 4a;"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1831: A bill for an act relating to human services; requiring duplication, contradiction, and archaic language in laws, rules, and regulations governing human services to be reduced or eliminated; requiring one state agency to administer each service; requiring technical assistance, fiscal responsibility, and interpretative guidelines for all regulatory standards; and establishing a legislative commission on regulatory reduction; proposing coding for new law in Minnesota Statutes, chapter 245A.

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

Delete everything after the enacting clause and insert:

"Section 1. [245A.17] [REFORM OF RULES AND REGULATIONS AFFECTING SERVICES TO PERSONS WITH MENTAL RETARDATION AND RELATED CONDITIONS.]

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

(a) "Commissioners" means the commissioners of human services and health.

(b) "Services" means all services provided to persons with mental retardation or related conditions that are licensed, certified, or regulated by the department of human services or health.

(c) "Rules and regulations" means all laws, interpretative bulletins, or program standards established or administered by the department of human services or health affecting services to persons with mental retardation and related conditions.

(d) "Affected parties" means all consumers of services, providers of services, advocacy groups, and licensing staff.

Subd. 2. [POLICY.] The Minnesota legislature intends to ensure that rules and regulations (1) assure quality of care and services, (2) conform with federal and state codes, (3) are cost effective, and (4) are concise, clear, and noncontradictory.

Subd. 3. [OBJECTIVES.] The commissioners shall submit by February 1, 1991, a plan for simplification of rules and regulations governing services to persons with developmental disabilities and related conditions. This plan shall be developed in consultation with affected parties."

Delete the title and insert:

"A bill for an act relating to health and human services; stating policy and requiring a plan relating to rules and regulations affecting services to persons with mental retardation and related conditions; proposing coding for new law in Minnesota Statutes, chapter 245A."

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2417: A bill for an act relating to human services; long-term care; establishing methods to determine recommended rates for day training and habilitation services; allowing a waiver for personal care services; clarifying definitions of certain facilities; establishing requirements for home care services; exempting certain persons from preadmission nursing home screening; clarifying allocations for alternative care grants; establishing limits on the investment per bed for newly constructed or established long-term care facilities; clarifying eligibility requirements for continued services; amending Minnesota Statutes 1988, sections 256B.04, subdivision 16; 256B.055, subdivision 12; 256B.091, subdivisions 4 and 6; 256B.48, subdivision 2; 256B.49, by adding a subdivision; 256B.50, subdivisions 1 and 1b; and 256B.501, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 252.46, subdivision 4; 256B.091, subdivision 8; and 256B.495, subdivision 1; Laws 1988, chapter 689, article 2, section 256, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 256B.

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

Page 4, delete lines 8 to 11 and insert:

"(e) For purposes of this subdivision, a person "requires a level of care provided in a hospital, skilled nursing facility, intermediate care facility, or intermediate care facility for persons with mental retardation or related conditions" if the person requires 24-hour supervision because the person"

Page 9, line 34, after "home" insert "*for the fiscal year ending June 30, 1991,*"

Page 9, line 36, strike "by the commissioner"

Page 10, line 4, after the period, insert "*The rate allowed for a screening is the actual cost of the screening up to a maximum rate of \$218, for a screening where two team members are present, and \$131, for a screening where only one team member is present. The commissioner shall establish by rulemaking an annual adjustment of the maximum screening rate.*"

Page 10, line 12, strike "For all"

Page 10, strike lines 13 to 16

Page 10, line 17, strike "screening" and insert "*If in more than ten percent of the total number of screenings performed by a county in a fiscal year for all individuals regardless of payment source the screening time-lines were not met because a county was late in screening the individual, the county is solely responsible for paying the cost of those delayed screenings that exceed ten percent*"

Page 12, line 1, delete "June" and insert "April"

Page 12, line 2, delete "15" and insert "1"

Page 12, delete lines 3 to 6 and insert:

"(2) The commissioner shall allocate the remainder of the state funds available for alternative care grants to each county according to an allocation ratio determined by (1) identifying for each county the total dollar amount of payments plus the dollar amount of claims submitted for calendar year 1989 or the fiscal year ending June 30, 1989, whichever is greater; and (2) totaling the dollar amounts determined for each county under clause (1). The allocation ratio for a county is the proportion of the dollar amount for that county determined under clause (1) to the total dollar amount determined under clause (2). To be counted in the allocation process, claims must be submitted by June 1, 1990."

Page 12, line 7, delete "year 1989."

Page 12, line 34, delete "*for special target populations,*" and insert "*by methodologies that target funds for programs designed to reduce premature nursing home placements and promote cost-effective alternatives to increasing nursing home beds and nursing home utilization.*"

Page 12, delete line 35

Page 13, line 2, after "county" insert "and senior"

Page 13, line 3, after "for" insert "allocating funds which may include"

Page 13, line 26, after "county" insert "and senior"

Page 17, after line 10, insert:

"Sec. 8. Minnesota Statutes 1988, section 256B.48, is amended by adding a subdivision to read:

Subd. 1c. [CASE MIX RATE FOR PROVIDER WITH ADDENDUM TO PROVIDER AGREEMENT.] A nursing home with an addendum to its provider agreement effective beginning September 24, 1985, shall have a case mix rate established by the commissioner under Minnesota Rules, part 9549.0056. To save medical assistance resources, for rate years beginning after July 1, 1990, the provider's case mix rate shall be the case mix rate established by the commissioner July 1, 1990, multiplied by an inflation factor based on the care related index applied by the commissioner under Minnesota Rules, part 9549.0055.

The provider and the department of health shall complete case mix assessments under Minnesota Rules, chapter 4656, and parts 9549.0058 and 9549.0059, on only those residents receiving medical assistance. The commissioner of health may audit and verify the limited provider assessments at any time."

Page 21, line 6, after “of” insert “*establishing payment rates under*”

Page 21, line 21, after “252.292” insert “, *in which case clause (3) does not apply*”

Page 22, line 27, delete “*as in subdivision 12*”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 16, after “2” insert “, and by adding a subdivision”

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

SECOND READING OF SENATE BILLS

S.F. Nos. 1869, 1551, 1703, 1768, 2140, 2114, 2063, 1753, 1726, 1739, 2430, 2179, 2383, 2119, 2366, 2373, 1946, 1999, 2024, 1772, 2381, 1162, 2267, 2424, 2224, 2286, 2216, 2302, 2488, 2229, 2489, 2290, 2075, 1854, 1934, 1150, 2061, 1890, 2213, 2455, 1968, 1669, 2354, 2136, 2159, 1926, 1976, 1958, 1975, 1844, 1966, 1419, 1704, 1400, 1827, 2441, 1822, 2412, 2115, 2299, 2207, 1889, 1940, 2051, 1681, 2370, 2011, 2230 and 1831 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 1859 and 1919 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Luther moved that the name of Ms. Flynn be added as a co-author to S.F. No. 1284. The motion prevailed.

Mr. Luther moved that the name of Ms. Peterson, D.C. be stricken as a co-author, and the name of Ms. Flynn be added as a co-author to S.F. No. 1492. The motion prevailed.

Mr. Luther moved that the name of Ms. Flynn be added as a co-author to S.F. No. 1493. The motion prevailed.

Mr. Moe, D.M. moved that the name of Mr. Brandl be added as a co-author to S.F. No. 1823. The motion prevailed.

Ms. Reichgott moved that the name of Ms. Flynn be added as a co-author to S.F. No. 1845. The motion prevailed.

Mr. Bertram moved that the name of Mr. Morse be added as a co-author to S.F. No. 1886. The motion prevailed.

Mr. Morse moved that the name of Mr. Knaak be added as a co-author to S.F. No. 2195. The motion prevailed.

Mr. Berg moved that the name of Mr. Ramstad be added as a co-author to S.F. No. 2230. The motion prevailed.

Mr. Morse moved that the names of Messrs. Purfeerst, Lessard and Frederick be added as co-authors to S.F. No. 2426. The motion prevailed.

Mr. Dicklich moved that the name of Mr. Piepho be added as a co-author to S.F. No. 2446. The motion prevailed.

Mr. Marty moved that the name of Mr. Frederickson, D.R. be added as a co-author to S.F. No. 2454. The motion prevailed.

Mr. Dicklich moved that the name of Ms. Piper be added as a co-author to S.F. No. 2488. The motion prevailed.

Mr. Morse moved that the name of Mr. Davis be added as a co-author to S.F. No. 2516. The motion prevailed.

Mr. Ramstad, Mrs. McQuaid and Ms. Olson introduced—

Senate Resolution No. 159: A Senate resolution congratulating the Hopkins High School Royals Girls Gymnastics Team for winning the State Class AA Gymnastics title.

Referred to the Committee on Rules and Administration.

Mr. Lessard moved that the name of Mr. Moe, R.D. be added as a co-author to S.F. No. 2306. The motion prevailed.

Mr. Marty moved that the name of Mr. DeCramer be added as a co-author to S.F. No. 2454. The motion prevailed.

Mr. Novak moved that S.F. No. 2321 be withdrawn from the Committee on Judiciary and re-referred to the Committee on Finance. The motion prevailed.

CALENDAR

S.F. No. 1794: A bill for an act relating to veterans; redefining the term "veteran"; amending Minnesota Statutes 1988, section 197.447.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Mehrkens	Purfeerst
Anderson	Davis	Knaak	Merriam	Ramstad
Beckman	Decker	Knutson	Metzen	Reichgott
Belanger	DeCramer	Kroening	Moe, D.M.	Renneke
Benson	Dicklich	Laidig	Moe, R.D.	Samuelson
Berg	Diessner	Langseth	Morse	Schmitz
Berglin	Flynn	Lantry	Novak	Spear
Bernhagen	Frank	Larson	Olson	Storm
Bertram	Frederick	Lessard	Pariseau	Stumpf
Brandl	Frederickson, D.J.	Luther	Pehler	Vickerman
Brataas	Frederickson, D.R.	Marty	Piepho	Waldorf
Chmielewski	Freeman	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	

So the bill passed and its title was agreed to.

S.F. No. 1789: A bill for an act relating to health; requiring licensed health care practitioners who dispense certain legend drugs for profit to file with the practitioner's licensing board; amending Minnesota Statutes 1988, section 151.37, subdivision 2.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Mehrkens	Ramstad
Anderson	Davis	Knaak	Merriam	Reichgott
Beckman	Decker	Knutson	Metzen	Renneke
Belanger	DeCramer	Kroening	Moe, D.M.	Samuelson
Benson	Dicklich	Laidig	Moe, R.D.	Schmitz
Berg	Diessner	Langseth	Morse	Spear
Berglin	Flynn	Lantry	Novak	Storm
Bernhagen	Frank	Larson	Olson	Stumpf
Bertram	Frederick	Lessard	Pehler	Vickerman
Brandl	Frederickson, D.J.	Luther	Piepho	Waldorf
Brataas	Frederickson, D.R.	Marty	Piper	
Chmielewski	Freeman	McGowan	Pogemiller	
Cohen	Hughes	McQuaid	Purfeerst	

Mrs. Pariseau voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1680: A bill for an act relating to cooperatives; providing absentee ballots are secret ballots; amending Minnesota Statutes 1989 Supplement, section 308A.635, subdivision 6.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Mehrkens	Purfeerst
Anderson	Davis	Knaak	Merriam	Ramstad
Beckman	Decker	Knutson	Metzen	Reichgott
Belanger	DeCramer	Kroening	Moe, D.M.	Renneke
Benson	Dicklich	Laidig	Moe, R.D.	Samuelson
Berg	Diessner	Langseth	Morse	Schmitz
Berglin	Flynn	Lantry	Novak	Spear
Bernhagen	Frank	Larson	Olson	Storm
Bertram	Frederick	Lessard	Pariseau	Stumpf
Brandl	Frederickson, D.J.	Luther	Pehler	Vickerman
Brataas	Frederickson, D.R.	Marty	Piepho	Waldorf
Chmielewski	Freeman	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	

So the bill passed and its title was agreed to.

S.F. No. 1717: A bill for an act relating to education; establishing a task force to coordinate educational opportunity on the border between Minnesota and South Dakota.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Pogemiller
Anderson	Davis	Johnson, D.J.	Mehrkens	Purfeerst
Beckman	Decker	Knaak	Merriam	Ramstad
Belanger	DeCramer	Knutson	Metzen	Reichgott
Benson	Dicklich	Kroening	Moe, D.M.	Renneke
Berg	Diessner	Laidig	Moe, R.D.	Samuelson
Berglin	Flynn	Langseth	Morse	Schmitz
Bernhagen	Frank	Lantry	Novak	Spear
Bertram	Frederick	Larson	Olson	Storm
Brandl	Frederickson, D.J.	Lessard	Pariseau	Stumpf
Brataas	Frederickson, D.R.	Luther	Pehler	Vickerman
Chmielewski	Freeman	Marty	Piepho	Waldorf
Cohen	Gustafson	McGowan	Piper	

So the bill passed and its title was agreed to.

S.F. No. 1820: A bill for an act relating to counties; permitting a county board to assign certain duties; proposing coding for new law in Minnesota Statutes, chapter 373.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Mehrkens	Purfeerst
Anderson	Davis	Knaak	Merriam	Ramstad
Beckman	Decker	Knutson	Metzen	Reichgott
Belanger	DeCramer	Kroening	Moe, D.M.	Renneke
Benson	Diessner	Laidig	Moe, R.D.	Samuelson
Berg	Flynn	Langseth	Morse	Schmitz
Berglin	Frank	Lantry	Novak	Spear
Bernhagen	Frederick	Larson	Olson	Storm
Bertram	Frederickson, D.J.	Lessard	Pariseau	Stumpf
Brandl	Frederickson, D.R.	Luther	Pehler	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	

So the bill passed and its title was agreed to.

S.F. No. 1691: A bill for an act relating to children; establishing procedures for the placement and removal of children in foster homes; proposing coding for new law in Minnesota Statutes, chapter 257.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Pogemiller
Anderson	Davis	Johnson, D.J.	Mehrkens	Purfeerst
Beckman	Decker	Knaak	Merriam	Ramstad
Belanger	DeCramer	Knutson	Metzen	Reichgott
Benson	Dicklich	Kroening	Moe, D.M.	Renneke
Berg	Diessner	Laidig	Moe, R.D.	Schmitz
Berglin	Flynn	Langseth	Morse	Spear
Bernhagen	Frank	Lantry	Novak	Storm
Bertram	Frederick	Larson	Olson	Stumpf
Brandl	Frederickson, D.J.	Lessard	Pariseau	Vickerman
Brataas	Frederickson, D.R.	Luther	Pehler	Waldorf
Chmielewski	Freeman	Marty	Piepho	
Cohen	Gustafson	McGowan	Piper	

Mr. Samuelson voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 2130: A bill for an act relating to insurance; regulating the practices and record keeping of, and disclosures by, public adjusters; amending Minnesota Statutes 1988, section 72B.135, by adding subdivisions.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Pogemiller
Anderson	Davis	Johnson, D.J.	Mehrkens	Purfeerst
Beckman	Decker	Knaak	Merriam	Ramstad
Belanger	DeCramer	Knutson	Metzen	Reichgott
Benson	Dicklich	Kroening	Moe, D.M.	Renneke
Berg	Diessner	Laidig	Moe, R.D.	Samuelson
Berglin	Flynn	Langseth	Morse	Schmitz
Bernhagen	Frank	Lantry	Novak	Solon
Bertram	Frederick	Larson	Olson	Spear
Brandl	Frederickson, D.J.	Lessard	Pariseau	Storm
Brataas	Frederickson, D.R.	Luther	Pehler	Stumpf
Chmielewski	Freeman	Marty	Piepho	Vickerman
Cohen	Gustafson	McGowan	Piper	Waldorf

So the bill passed and its title was agreed to.

CONSENT CALENDAR

S.F. No. 2353: A bill for an act relating to vocational rehabilitation; providing for supported employment programs; amending Minnesota Statutes 1988, section 129A.01, subdivisions 11, 12, and by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Mehrkens	Purfeerst
Anderson	Decker	Knaak	Merriam	Ramstad
Beckman	DeCramer	Knutson	Metzen	Reichgott
Belanger	Dicklich	Kroening	Moe, D.M.	Renneke
Benson	Diessner	Laidig	Moe, R.D.	Samuelson
Berglin	Flynn	Langseth	Morse	Schmitz
Bernhagen	Frank	Lantry	Novak	Solon
Bertram	Frederick	Larson	Olson	Spear
Brandl	Frederickson, D.J.	Lessard	Pariseau	Storm
Brataas	Frederickson, D.R.	Luther	Pehler	Stumpf
Chmielewski	Freeman	Marty	Piepho	Vickerman
Cohen	Gustafson	McGowan	Piper	Waldorf
Dahl	Hughes	McQuaid	Pogemiller	

So the bill passed and its title was agreed to.

GENERAL ORDERS

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

After some time spent therein, the committee arose, and Mr. Diessner

reported that the committee had considered the following:

S.F. No. 488, which the committee recommends to pass, subject to the following motions:

Mr. Lessard moved to amend S.F. No. 488 as follows:

Page 2, line 8, after the period, insert "*A political subdivision may levy the amount of money needed to implement this section notwithstanding the levy limitation in sections 275.50 to 275.56.*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 35, as follows:

Those who voted in the affirmative were:

Adkins	Bernhagen	Frederickson, D.J.	Lessard	Renneke
Anderson	Bertram	Gustafson	McGowan	Samuelson
Beckman	Chmielewski	Knutson	Mehrrens	Schmitz
Belanger	Dahl	Laidig	Merriam	Storm
Benson	Decker	Langseth	Piepho	Stumpf
Berg	Frederick	Larson	Purfeerst	Vickerman

Those who voted in the negative were:

Berglin	Flynn	Knaak	Moe, D.M.	Piper
Brataas	Frank	Kroening	Moe, R.D.	Pogemiller
Cohen	Frederickson, D.R.	Lantry	Morse	Ramstad
Davis	Freeman	Luther	Novak	Reichgott
DeCramer	Hughes	Marty	Olson	Solon
Dicklich	Johnson, D.E.	McQuaid	Pariseau	Spear
Diessner	Johnson, D.J.	Metzen	Pehler	Waldorf

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

Mr. Knaak moved to amend S.F. No. 488 as follows:

Page 2, line 32, delete "*a political subdivision*" and insert "*the parties*"

The motion prevailed. So the amendment was adopted.

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

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

MOTIONS AND RESOLUTIONS

Mr. Merriam moved that his name be stricken as chief author, shown as a co-author, and the name of Mr. Morse be added as chief author to S.F. No. 1826. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Beckman introduced—

S.F. No. 2531: A bill for an act relating to veterans; authorizing the veterans homes board to rent certain facilities; appropriating money; amending Minnesota Statutes 1989 Supplement, section 198.003.

Referred to the Committee on Veterans and Military Affairs.

Mr. Beckman introduced—

S.F. No. 2532: A bill for an act relating to education; permitting most ECSUs to form a representative assembly; amending Minnesota Statutes 1988, section 123.58, subdivision 5.

Referred to the Committee on Education.

Mr. Beckman introduced—

S.F. No. 2533: A bill for an act relating to education; clarifying education district levy limits; amending Minnesota Statutes 1989 Supplement, section 124.2721, subdivision 3.

Referred to the Committee on Education.

Mr. DeCramer introduced—

S.F. No. 2534: A bill for an act relating to education; clarifying responsibilities and authority of the higher education coordinating board; amending Minnesota Statutes 1989 Supplement, sections 136A.04 and 136A.08; proposing coding for new law in Minnesota Statutes, chapter 136A.

Referred to the Committee on Education.

Mr. Bernhagen introduced—

S.F. No. 2535: A bill for an act relating to public safety; directing commissioner of public safety to conduct study on safety effectiveness of strobe lights on school buses and requiring a report.

Referred to the Committee on Transportation.

Messrs. Brandl, Pehler, Benson, Luther and Ms. Berglin introduced—

S.F. No. 2536: A bill for an act relating to insurance; accident and health; providing for the classification and disclosure of certain comprehensive health insurance data; regulating the Minnesota comprehensive health insurance plan; amending Minnesota Statutes 1988, sections 13.71, by adding a subdivision; 62E.10, subdivision 9; and 62E.14, by adding a subdivision.

Referred to the Committee on Commerce.

Mr. Frank introduced—

S.F. No. 2537: A bill for an act relating to animals; providing for a 24-hour animal cruelty hotline; proposing coding for new law in Minnesota Statutes, chapter 343.

Referred to the Committee on General Legislation and Public Gaming.

Mr. Berg introduced—

S.F. No. 2538: A bill for an act relating to hunting; amending Minnesota Statutes 1988, section 97B.501.

Referred to the Committee on Environment and Natural Resources.

Messrs. Frank, Beckman and Pogemiller introduced—

S.F. No. 2539: A bill for an act relating to economic development; the creation of a joint subcommittee of the legislature to examine economic development activities in the state.

Referred to the Committee on Economic Development and Housing.

Messrs. Johnson, D.J.; Brandl; Stumpf; Pogemiller and Novak introduced—

S.F. No. 2540: A bill for an act relating to taxation; updating references to the Internal Revenue Code; amending Minnesota Statutes 1989 Supplement, section 290.01, subdivision 19.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Frederickson, D.R.; Laidig; Berg; Schmitz and Stumpf introduced—

S.F. No. 2541: A bill for an act relating to real property; providing for filing and recording of maps or plats for proposed rights-of-way by local governing bodies; proposing coding for new law in Minnesota Statutes, chapter 505.

Referred to the Committee on Local and Urban Government.

Messrs. Belanger, Ramstad, Decker, Mehrkens and Knaak introduced—

S.F. No. 2542: A bill for an act relating to education; increasing parental involvement; expanding eligibility for early childhood family education programs; encouraging the use of elementary school counselors; creating a new state aid; increasing the formula allowance; creating a parental involvement day; requiring a day off from work; requiring the board of teaching to adopt rules; creating tax credits; appropriating money; amending Minnesota Statutes 1988, sections 124.2711, subdivision 2; 124A.29, subdivision 1; 181.940, subdivision 3, and by adding subdivisions; and 290.06, by adding subdivisions; Minnesota Statutes 1989 Supplement, sections 121.882, subdivision 2; 124.2711, subdivision 1; and 124A.22, subdivision 2; Laws 1989, chapter 329, article 1, section 17, subdivision 2, as amended; and article 4, section 19, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 123; 124A; and 181.

Referred to the Committee on Education.

Ms. Reichgott introduced—

S.F. No. 2543: A bill for an act relating to occupations and professions; extending the application deadline for experienced social workers to obtain a social work license without examination; amending Minnesota Statutes 1989 Supplement, section 148B.23, subdivision 1.

Referred to the Committee on Health and Human Services.

Mr. Waldorf introduced—

S.F. No. 2544: A bill for an act relating to retirement; St. Paul police pension benefits; amending Laws 1955, chapter 151, section 9, subdivisions 5 and 6, as amended.

Referred to the Committee on Governmental Operations.

Mr. Stumpf introduced—

S.F. No. 2545: A bill for an act relating to human services; requiring that equalization aid be established and allocated to counties; appropriating money; proposing coding for new laws in Minnesota Statutes, chapter 245.

Referred to the Committee on Health and Human Services.

Mr. Pogemiller introduced—

S.F. No. 2546: A bill for an act relating to retirement; Minneapolis police and firefighters; health and medical benefits; continuance of surviving spouse benefits; amending Laws 1949, chapter 406, section 4, subdivisions 2 and 3, as amended; and section 6, subdivision 1, as amended; and Laws 1965, chapter 519, section 1, as amended.

Referred to the Committee on Governmental Operations.

Mr. Luther introduced—

S.F. No. 2547: A bill for an act relating to insurance; regulating cease and desist orders and communications with the department of commerce; amending Minnesota Statutes 1988, sections 45.027, subdivision 5; and 60A.17, by adding a subdivision.

Referred to the Committee on Commerce.

Mr. Luther introduced—

S.F. No. 2548: A bill for an act relating to commerce; increasing the amount of the department's general civil penalty; amending Minnesota Statutes 1988, section 45.027, subdivision 6.

Referred to the Committee on Commerce.

Ms. Flynn introduced—

S.F. No. 2549: A bill for an act relating to insurance; regulating domestic insurers; providing for domestications and conversions to foreign insurers; proposing coding for new law in Minnesota Statutes, chapter 60A.

Referred to the Committee on Commerce.

Mr. Moe, R.D. introduced—

S.F. No. 2550: A bill for an act relating to public improvements; authorizing the sale of state bonds; appropriating money for an agriculture department facility.

Referred to the Committee on Agriculture and Rural Development.

Mr. Kroening introduced—

S.F. No. 2551: A bill for an act relating to metropolitan transit; providing assistance for the acquisition and betterment of certain light rail transit facilities in the metropolitan area; appropriating money; authorizing the issuance of state bonds; proposing coding for new law in Minnesota Statutes, chapter 174.

Referred to the Committee on Transportation.

Mr. Chmielewski introduced—

S.F. No. 2552: A bill for an act relating to health; removing limits on certain animal control funds; establishing a low-cost spaying and neutering pilot project; imposing a tax on sales of pet food and supplies; authorizing county regulation of dogs and cats without licensure; appropriating money; amending Minnesota Statutes 1988, section 343.11; proposing coding for new law in Minnesota Statutes, chapters 346 and 347.

Referred to the Committee on General Legislation and Public Gaming.

Ms. Berglin introduced—

S.F. No. 2553: A bill for an act relating to taxation; allowing credits against the individual income and corporate franchise taxes; increasing the excise tax rates applicable to alcoholic beverages; dedicating a portion of alcoholic beverage excise tax revenues to child protection services; amending Minnesota Statutes 1988, sections 290.06, by adding subdivisions; 297C.02, subdivision 1; and 297C.08.

Referred to the Committee on Taxes and Tax Laws.

Mr. Mehrkens, Ms. Olson, Messrs. Knaak, Piepho and Decker introduced—

S.F. No. 2554: A bill for an act relating to education; providing for the state takeover of all public K-12 education costs by the year 2000; amending Minnesota Statutes 1988, section 124A.22, subdivision 4; repealing Minnesota Statutes 1989 Supplement, section 124A.03, subdivision 2.

Referred to the Committee on Education.

Messrs. Ramstad and McGowan introduced—

S.F. No. 2555: A bill for an act relating to crimes; providing for forfeiture of conveyance devices used to commit a drunk driving offense by certain repeat DWI violators; amending Minnesota Statutes 1988, section 609.5312, subdivision 1; Minnesota Statutes 1989 Supplement, section 609.531, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Johnson, D.J. introduced—

S.F. No. 2556: A bill for an act relating to taxation; converting tax capacity references to market value; amending Minnesota Statutes 1989 Supplement, sections 38.18; 50.14, subdivision 4; 110.70; 118.12; 163.04, subdivision 3; 163.06, subdivision 6; 165.10, subdivision 1; 365.025, subdivision 4;

368.01, subdivision 23; 368.44; 368.47; 370.01; 383.06; 385.31; 386.34; 412.081, subdivision 1; 412.221, subdivision 2; 430.102, subdivision 2; 465.04; 471.24; 471.73; 475.58, subdivision 2; 475.73, subdivision 1; and 505.173, subdivision 1; Minnesota Statutes Second 1989 Supplement, section 373.40, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Metzen and Mrs. Pariseau introduced—

S.F. No. 2557: A bill for an act relating to agriculture; changing certain regional districts of the state agricultural society; amending Minnesota Statutes 1988, section 37.04, subdivision 2.

Referred to the Committee on Agriculture and Rural Development.

Mr. Cohen introduced—

S.F. No. 2558: A bill for an act relating to economic development; providing that the continuation of certain tax exemptions granted by municipalities be determined on a project basis; amending Minnesota Statutes 1988, section 469.043, subdivision 5.

Referred to the Committee on Economic Development and Housing.

Messrs. Solon and Bertram introduced—

S.F. No. 2559: A bill for an act relating to taxation; property; providing an adjustment to the levy limit base for certain county jail or correctional facility costs; providing a special levy for certain per diem correctional costs; amending Minnesota Statutes Second 1989 Supplement, sections 275.50, subdivision 5; and 275.51, subdivision 3f.

Referred to the Committee on Taxes and Tax Laws.

Mr. Solon introduced—

S.F. No. 2560: A bill for an act relating to appropriations; providing funding to the Western Lake Superior Sanitary District for the design of wastewater treatment alternatives.

Referred to the Committee on Finance.

Mr. Brandl introduced—

S.F. No. 2561: A bill for an act relating to taxation; providing a retroactive effective date for the credit for prior years' alternative minimum tax; amending Laws 1989, First Special Session chapter 1, article 10, section 47.

Referred to the Committee on Taxes and Tax Laws.

Mr. Knaak introduced—

S.F. No. 2562: A bill for an act relating to education; intermediate school districts; providing teacher retirement and F.I.C.A. aid; proposing coding for new law in Minnesota Statutes, chapter 124.

Referred to the Committee on Education.

Ms. Berglin introduced—

S.F. No. 2563: A bill for an act relating to human services; requiring increases in rates for wages of employees of intermediate care facilities for persons with mental retardation, semi-independent living services, home and community-based waived services, developmental achievement centers, and mental health residential programs; requiring a fair wage plan; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 252.

Referred to the Committee on Health and Human Services.

Mr. Pogemiller introduced—

S.F. No. 2564: A bill for an act relating to criminal sexual contact; expanding the definition of "sexual contact" in fifth degree criminal sexual conduct; amending Minnesota Statutes 1988, section 609.3451, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Stumpf introduced—

S.F. No. 2565: A bill for an act relating to game and fish; setting conditions under which a hunter may take two deer; amending Minnesota Statutes 1988, section 97B.301, subdivision 4.

Referred to the Committee on Environment and Natural Resources.

Mr. Solon introduced—

S.F. No. 2566: A bill for an act relating to insurance; long-term care; modifying the definition of medically prescribed long-term care; allowing additional licensed health care providers to prepare plans of care; regulating assessments; regulating cancellations; amending Minnesota Statutes 1988, sections 62A.46, subdivisions 2, 4, 5, and 8; 62A.48, subdivision 3, and by adding a subdivision; and 62A.56; Minnesota Statutes 1989 Supplement, section 62A.48, subdivision 1.

Referred to the Committee on Commerce.

Messrs. Stumpf and Anderson introduced—

S.F. No. 2567: A bill for an act relating to regional development commissions; establishing a maximum property tax levy; amending Minnesota Statutes 1989 Supplement, section 462.396, subdivision 2.

Referred to the Committee on Economic Development and Housing.

Mr. Cohen introduced—

S.F. No. 2568: A bill for an act relating to courts; conciliation court; permitting collection of conciliation court judgments under the revenue recapture act; permitting certain levies on homestead proceeds; amending Minnesota Statutes 1988, sections 270A.03, subdivisions 2, 4, and 5; 270A.04, subdivision 3; 270A.07, subdivision 2; and 510.07; Minnesota Statutes 1989 Supplement, section 270A.11.

Referred to the Committee on Judiciary.

ADJOURNMENT

Mr. Luther moved that the Senate do now adjourn until 1:00 p.m., Wednesday, March 14, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTIETH DAY

St. Paul, Minnesota, Wednesday, March 14, 1990

The Senate met at 1:00 p.m. and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Gilbert J. Seddon.

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

Adkins	Davis	Johnson, D.J.	Metzen	Renneke
Anderson	Decker	Knaak	Moe, R.D.	Samuelson
Belanger	DeCramer	Knutson	Morse	Schmitz
Benson	Dicklich	Kroening	Olson	Solori
Berg	Diessner	Laidig	Pariseau	Spear
Berglin	Flynn	Langseth	Pehler	Storm
Bernhagen	Frank	Lantry	Peterson, R. W.	Stumpf
Bertram	Frederick	Larson	Piepho	Vickerman
Brandl	Frederickson, D.J.	Lessard	Piper	Waldorf
Brataas	Frederickson, D.R.	Luther	Pogemiller	
Chmielewski	Freeman	Marty	Purfeerst	
Cohen	Gustafson	Mehrkens	Ramstad	
Dahl	Johnson, D.E.	Merriam	Reichgott	

The President declared a quorum present.

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

MEMBERS EXCUSED

Mrs. McQuaid was excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received and referred to the committee indicated.

March 7, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

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

Nicholas J. Zuber, 25 S. 26th Ave. E., Duluth, St. Louis County, has been appointed by me, effective February 10, 1990, for a term expiring June 30, 1992.

(Referred to the Committee on General Legislation and Public Gaming.)

Sincerely,
Rudy Perpich, Governor

MESSAGES FROM THE HOUSE

Mr. President:

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

S.F. No. 60: A bill for an act relating to water; recodifying, clarifying, and relocating provisions relating to water law; amending Minnesota Statutes 1988, sections 9.071; 16B.62, subdivision 1; 18.191; 18B.07, subdivision 6; 40A.13, subdivision 1; 41B.039, subdivision 3; 84.083, by adding subdivisions; 84.91, subdivision 4; 84.911, subdivisions 5 and 6; 84.95, subdivision 2; 85.33, subdivision 3; 86A.05, subdivision 10; 88.43, subdivision 2; 93.335, subdivision 1; 94.343, subdivision 4; 97A.015, subdivision 41; 97A.071, subdivision 4; 97A.101, subdivision 2; 115.097, subdivision 2; 144.95, subdivision 4; 156A.10, subdivision 2; 161.28, subdivision 1; 163.17; 272.02, subdivisions 1 and 6; 273.19, subdivision 5; 295.44, subdivision 1; 357.021, subdivision 2; 375.471; 383A.602, subdivision 5; 383A.604, subdivision 1; 394.25, subdivision 2; 459.20; 462.357, subdivision 1; 465.20; 469.141, subdivision 4; 469.174, subdivision 19; 471.345, subdivision 3; 471.591, subdivision 1; 471.98, subdivision 2; 473.191, subdivision 2; 609.68; and 645.44, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 83A; 97C; 156A; and 383B; proposing coding for new law as Minnesota Statutes, chapters 86B; 103A; 103B; 103C; 103D; 103E; 103F; and 103G; repealing Minnesota Statutes 1988, sections 40.01 to 40.45; 84.031; 84.032; and 84.158; 104.01 to 104.50; 105.37 to 105.81; 106A.005 to 106A.811; 110.13 to 110.72; 110B.01 to 110B.35; 112.34 to 112.89; 114.12 and 114.13; 114B.01 to 114B.07; 116C.41; 361.01 to 361.29; 378.01 to 378.57; 465.18; and 473.875 to 473.883.

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

Dille, Price and Jennings.

Senate File No. 60 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 12, 1990

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1927, 1984, 2045, 2058, 2149, 2188, 2481, 2508, 1569, 1754, 1785, 1830 and 1846.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 12, 1990

FIRST READING OF HOUSE BILLS

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

H.F. No. 1927: A bill for an act relating to traffic regulations; regulating approaches of vehicles to certain intersections; amending Minnesota Statutes 1988, section 169.20, subdivision 1.

Referred to the Committee on Transportation.

H.F. No. 1984: A bill for an act relating to insurance; accident and health; providing for coordination of benefits between group and individual contracts; amending Minnesota Statutes 1989 Supplement, section 62A.046.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2110, now on General Orders.

H.F. No. 2045: A bill for an act relating to human services; clarifying the definition of mentally retarded person in the Minnesota Commitment Act; increasing the time limit for a court of appeals decision under the commitment act; amending Minnesota Statutes 1988, sections 253B.02, subdivision 14; 253B.12, subdivision 4; and 253B.23, subdivision 7.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1905.

H.F. No. 2058: A bill for an act relating to education; changing names of state board and state director of vocational technical education and local directors of technical colleges; amending Minnesota Statutes 1988, section 136C.02, subdivisions 4 and 5.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1926, now on General Orders.

H.F. No. 2149: A bill for an act relating to port authorities; expanding the range of titles for certain offices; amending Minnesota Statutes 1988, section 469.051, subdivision 2.

Referred to the Committee on Economic Development and Housing.

H.F. No. 2188: A bill for an act relating to local government; permitting towns to publish collections of town ordinances, resolutions, rules, and laws; amending Minnesota Statutes 1988, sections 415.021 and 599.13.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1979, now on General Orders.

H.F. No. 2481: A bill for an act relating to crimes; making preparation of a written presentence investigation report discretionary with the court when a defendant is convicted of a felony for which the court must impose

an executed sentence under the sentencing guidelines; amending Minnesota Statutes 1989 Supplement, section 609.115, subdivision 1.

Referred to the Committee on Judiciary.

H.F. No. 2508: A bill for an act relating to education; placing certain positions in special school district No. 1, Minneapolis, in the unclassified service; naming the appointing authority for the positions.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2314.

H.F. No. 1569: A bill for an act relating to highways; providing for resolution of local disapproval of certain county state-aid highway actions; providing that 30 percent of the county state-aid highway fund be apportioned on the basis of lane-miles; changing the composition of the county and municipal state-aid screening boards; amending Minnesota Statutes 1988, sections 162.02, subdivisions 8 and 10, and by adding a subdivision; 162.07, subdivisions 1 and 5; and 162.13, subdivision 3.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1420, now on General Orders.

H.F. No. 1754: A resolution memorializing the Congress of the United States to enact the American Heritage Trust Act authorizing the creation of a federal trust fund to provide funding for local, state, and federal land and water conservation and historic preservation purposes.

Referred to the Committee on Environment and Natural Resources.

H.F. No. 1785: A bill for an act relating to real property; providing for plat monuments; imposing a penalty; amending Minnesota Statutes 1988, sections 505.02, subdivision 1; and 505.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 505.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2141.

H.F. No. 1830: A bill for an act relating to crime; increasing the penalty for malicious child punishment resulting in great bodily harm; amending Minnesota Statutes 1989 Supplement, section 609.377.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1978.

H.F. No. 1846: A bill for an act relating to prostitution; increasing penalties for certain patrons of prostitutes; providing that when a patron uses a motor vehicle during commission of an offense, that fact will be noted on the person's driving record; amending Minnesota Statutes 1988, sections 609.324, subdivisions 2, 3, and by adding subdivisions; and 609.3241.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1977.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 2236 and 1653. The motion prevailed.

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 2329: A bill for an act relating to public financing; allocating authority to issue tax exempt revenue bonds; amending Minnesota Statutes 1988, sections 474A.02, subdivisions 6, 8, and by adding a subdivision; 474A.03; 474A.061, subdivision 3, and by adding subdivisions; 474A.081, as amended; 474A.091, subdivisions 1 and 5; 474A.131, subdivision 2; and 474A.14; Minnesota Statutes Second 1989 Supplement, sections 474A.061, subdivisions 1 and 4; and 474A.091, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 474A; repealing Minnesota Statutes 1988, section 474A.091, subdivisions 4 and 4a; repealing Minnesota Statutes Second 1989 Supplement, section 474A.061, subdivision 2.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 474A.02, subdivision 6, is amended to read:

Subd. 6. [~~DEPARTMENT; DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT~~ *FINANCE*.] "Department" means the department of ~~trade and economic development finance~~.

Sec. 2. Minnesota Statutes 1988, section 474A.02, subdivision 8, is amended to read:

Subd. 8. [~~FEDERAL TAX LAW~~.] "Federal tax law" means those provisions of the Internal Revenue Code of 1986, *as amended through December 31, 1989*, that limit the aggregate amount of obligations of a specified type or types which may be issued by an issuer during a calendar year whose interest is excluded from gross income for purposes of federal income taxation.

Sec. 3. Minnesota Statutes 1988, section 474A.02, is amended by adding a subdivision to read:

Subd. 22b. [PUBLIC FACILITIES PROJECT.] "Public facilities project" means any publicly owned facility that is eligible to be financed with the proceeds of public facilities bonds as defined under subdivision 23a.

Sec. 4. Minnesota Statutes 1988, section 474A.03, is amended to read:

474A.03 [~~DETERMINATION OF ANNUAL VOLUME CAP~~]

Subdivision 1. [~~ANNUAL VOLUME CAP UNDER FEDERAL TAX LAW; POOL ALLOCATIONS~~.] At the beginning of each calendar year after December 31, ~~1987~~ 1990, the commissioner shall determine the aggregate dollar amount of the annual volume cap under federal tax law for the calendar year, and of this amount the commissioner shall make the following allocation:

- (1) ~~\$74,000,000~~ \$75,000,000 to the manufacturing pool;
- (2) ~~\$30,000,000~~ \$46,000,000 to the ~~multifamily~~ housing pool;
- (3) ~~\$21,000,000~~ \$10,000,000 to the public facilities pool; and
- (4) amounts to be allocated as provided in subdivision 2a.

If the annual volume cap is greater or less than the amount of bonding authority allocated under clauses (1) to (4) *and subdivision 2a, paragraph (a), clauses (1) to (3)*, the allocation must be adjusted so that each adjusted allocation is the same percentage of the annual volume cap as each original allocation is of the total bonding authority originally allocated.

Subd. 2a. [ENTITLEMENT ISSUER ALLOCATION.] (a) The commissioner shall make the following allocation to the Minnesota housing finance agency and the following cities:

(1) ~~\$50,000,000~~ *\$51,000,000* per year to the Minnesota housing finance agency, less any amount received in the previous year under section 474A.091, subdivision 6;

(2) \$20,000,000 per year to the city of Minneapolis; *and*

(3) \$15,000,000 per year to the city of Saint Paul; ~~and~~

~~(4) \$3,000,000 to each of the cities of the first class located outside of the metropolitan area as defined in section 473.121, subdivision 2, or an amount equal to the amount of mortgage bonds or residential rental project bonds that each city permanently issued in the previous calendar year, whichever amount is less. If a city is eligible to receive an entitlement allocation under this clause, the amount of the allocation is deducted from the allocations made under clauses (1), (2), and (3) in proportion to the total amount of allocations made in clauses (1), (2), and (3).~~

(b) Allocations provided under this subdivision must be used for mortgage bonds, mortgage credit certificates, or residential rental project bonds, except that entitlement cities may also use their allocations for public facility bonds.

Sec. 5. [474A.045] [SCORING SYSTEM FOR MANUFACTURING PROJECTS.]

The following criteria must be used in determining the allocation of small issue bonds for manufacturing projects. The issuer must prepare and submit to the commissioner a public purpose scoring worksheet that presents the data and methods used in determining the total score under this section. The total score is the sum of the following:

(1) the number of net direct new jobs in the state generated by the proposed project for the next two years per \$100,000 of proposed allocation multiplied by 15;

(2) the number of direct jobs retained in the state due to the proposed project per \$100,000 of proposed allocation multiplied by 15;

(3) the quotient of the total increase in net payroll generated in the state by the proposed project divided by the proposed bond allocation, multiplied by 100;

(4) the quotient of the estimated total net increase in property taxes generated in the state by the project in the first full year of operation divided by the proposed bond allocation, multiplied by 500; and

(5) the unemployment rate in the community where the proposed project is located measured as a percent of the state's unemployment rate, multiplied by ten.

The community unemployment rate used in determining the points under clause (5) must be the rate for the county in which the proposed project

is located unless an accurate rate may be estimated for a smaller geographic area or census tract. The commissioner of jobs and training must approve the rate used when an unemployment rate other than that for a county is used.

If the manufacturing project will retain jobs and the total score includes points calculated under clause (2), the issuer must certify to the commissioner that the proceeds of the small issue bonds are required to retain those jobs. The commissioner shall submit the information relating to the retaining of jobs to the commissioner of trade and economic development. The commissioner of trade and economic development must verify that the proceeds of the small issue bonds are required to retain the jobs referred to in the certification prior to the awarding of any points under this section.

Sec. 6. [474A.047] [RESIDENTIAL RENTAL BONDS; LIMITATIONS.]

Subdivision 1. [ELIGIBILITY.] An issuer may only use the proceeds from residential rental bonds if the proposed project meets one of the following:

(a) The proposed project is a single room occupancy project and all the units of the project will be occupied by individuals whose incomes are 50 percent or less of the greater of the statewide or county median income adjusted for household size as determined by the federal Department of Housing and Urban Development; or

(b) The proposed project is a multifamily project where at least 75 percent of the units have two or more bedrooms and at least 25 percent of the units have three or more bedrooms. At least 75 percent of the units of the multifamily project must be occupied by individuals or families whose incomes are 60 percent or less of the greater of the statewide or county median income adjusted for household size as determined by the federal Department of Housing and Urban Development.

The maximum rent for a proposed single room occupancy unit under paragraph (a) is 30 percent of the amount equal to 30 percent of the greater of the statewide or county median income for a one-member household as determined by the federal Department of Housing and Urban Development. The maximum rent for a multifamily project under paragraph (b) is 30 percent of the amount equal to 50 percent of the greater of the statewide or county median income as determined by the federal Department of Housing and Urban Development based on a household size with one person per bedroom.

Subd. 2. [15-YEAR AGREEMENT.] Prior to the issuance of residential rental bonds, the developer of the project for which the bond proceeds will be used must enter into a 15-year agreement with the issuer that specifies the maximum rental rates of the units in the project and the income levels of the residents of the project. The rental rates and income levels must be within the limitations established under subdivision 1. The developer must annually certify to the issuer over the term of the agreement that the rental rates are within the limitations under subdivision 1. The issuer may request individual certification of the income of all residents of the project.

If a project is found to be out of compliance with the rental rate and income levels under subdivision 1, the issuer must notify the Minnesota housing finance agency and department of revenue. The interest earnings on the bonds issued for the project will be subject to the tax under chapter 290.

Sec. 7. Minnesota Statutes Second 1989 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, ~~and~~ (4) an application deposit in the amount of one percent of the requested allocation before the last Monday in August, or in the amount of two percent of the requested allocation on or after the last Monday in August, ~~and~~ (5) a public purpose scoring worksheet for small issue applications. ~~An issuer applying for an allocation from the multifamily housing pool who does not sign an agreement requiring that the project comply with the gross rent restrictions of the low income housing credit program under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1988, must submit an additional application deposit in the amount of two percent of the requested allocation before the last Monday in August, or in the amount of one percent of the requested allocation on or after the last Monday in August. The issuer must pay the application deposit by check. The Minnesota housing finance agency 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 ~~multifamily~~ multifamily 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.

(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. 8. Minnesota Statutes 1988, section 474A.061, is amended by adding a subdivision to read:

Subd. 2a. [HOUSING POOL ALLOCATION.] (a) *On the first business day that falls on a Monday of the calendar year and on the first Monday in April, the commissioner shall allocate available bonding authority in the housing pool to applications received by the Monday of the previous week for residential rental projects that meet the eligibility criteria under section 6. After April 1, and until April 15, the Minnesota housing finance agency may accept applications from cities for single-family housing programs which meet program requirements as follows:*

(1) *the housing program must meet a locally identified housing need and be economically viable;*

(2) *the adjusted income of home buyers cannot exceed the greater of the agency's income limits or 80 percent of the greater of the state or area median income as published by the Department of Housing and Urban Development;*

(3) *house price limits may not exceed the greater of agency house price*

limits or 90 percent of the median purchase price in the city for which the bonds are to be sold up to a maximum of 90 percent of the safe harbor limitations for existing housing provided under section 143(e) of the Internal Revenue Code of 1986, as amended through December 31, 1989, except that house price limits may be 100 percent of the median city purchase price if subsidy is used to reduce the effective purchase price of the property to the above levels. Data establishing the median purchase price in the city must be included in the application by a city requesting house price limits higher than the housing finance agency's house price limits;

(4) mortgage bonds may be issued during the first eight months that mortgage bond proceeds are available only for the purchase or purchase and rehabilitation of existing housing except in the following circumstances: newly constructed housing located in an area where a redevelopment project as defined under section 469.002, subdivision 14, may occur; newly constructed housing approved under the Affordable Housing Program of the Department of Housing and Urban Development; newly constructed housing located on a parcel purchased by the city or conveyed to the city under section 282.01, subdivision 1; or newly constructed housing that is part of a housing affordability initiative, other than those financed with the proceeds from the sale of bonds, in which federal, state, or local assistance is used to substantially improve the terms of the financing or to substantially write down the purchase price of the new housing; and

(5) the agency or a city may not make available, provide set asides, or commit to make available money or proceeds of bonds for the exclusive use of builders or developers for loans to eligible purchasers for new housing except for housing located in an area where a redevelopment project as defined under section 469.002, subdivision 14, may occur. This prohibition is in effect for the entire time mortgage bond proceeds are available.

The Minnesota housing finance agency may accept applications from July 1 to July 15 from cities for single-family housing programs which meet program requirements specified under clauses (1) to (5) if bonding authority is available in the housing pool. The agency and a representative for each applicant shall negotiate the terms of an agreement regarding the allocation of available authority among the applicants. The agreement must allot available bonding authority among the applicants. For purposes of paragraphs (a) to (d), "city" has the meaning given it in section 462C.02, subdivision 6, and "agency" means the Minnesota housing finance agency.

(b) Upon reaching agreement with participating cities, the agency shall forward to the commissioner the amounts allotted to each applicant pursuant to the agreement. The agency may issue bonds on behalf of participating cities. The agency shall request an allocation from the commissioner for all applicants who choose to have the agency issue bonds on their behalf and the commissioner shall allocate the requested amount to the agency. The agency may request an allocation at any time between the first Tuesday after the first Monday in April and the last Monday in August, but may request an allocation no later than the last Monday in August.

(c) A city may choose to issue bonds on its own behalf or through a joint powers agreement and may request an allocation from the commissioner. If the total amount requested by all applicants exceeds the amount available in the pool, the city may not receive a greater allocation than

the amount it would have received under the agreement forwarded by the Minnesota housing finance agency to the commissioner. No city may request or receive an allocation from the commissioner until the agreement under paragraph (b) has been forwarded to the commissioner. Between the first Monday in April and the last Monday in August, no city may receive an allocation from the housing pool which has not first applied to the Minnesota housing finance agency.

(d) If a city issues mortgage bonds from an allocation received under paragraph (c), the issuer must provide for the recycling of funds into new loans. If the issuer is not able to provide for recycling, the issuer must notify the commissioner in writing of the reason that recycling was not possible and the reason the issuer elected not to have the Minnesota housing finance agency issue the bonds. "Recycling" means the use of money generated from the repayment and prepayment of loans for further eligible loans or for the redemption of bonds and the issuance of current refunding bonds.

(e) The total amount of allocation for mortgage bonds for one city is limited to the lesser of (i) \$4,000,000 or (ii) 20 percent of the total amount available for allocation for mortgage bonds from the housing pool after the first Monday in April.

Sec. 9. Minnesota Statutes 1988, section 474A.061, is amended by adding a subdivision to read:

Subd. 2b. [MANUFACTURING POOL ALLOCATION.] From the beginning of the calendar year until the last Monday in August, the commissioner shall allocate available bonding authority from the manufacturing pool on Monday of each week to applications received on or before the Monday of the preceding week. 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 5. Proposed projects that receive 50 points or more are eligible for all of the proposed allocation. Proposed projects that receive less than 50 points are eligible to receive a proportionally reduced share of the proposed authority.

If there are two or more applications for manufacturing projects from the manufacturing pool and there is insufficient bonding authority to provide allocations for all projects in any one week after all eligible bonding authority has been transferred as provided in section 474A.081, the available bonding authority shall be awarded by lot unless otherwise agreed to by the respective issuers.

Sec. 10. Minnesota Statutes 1988, section 474A.061, is amended by adding a subdivision to read:

Subd. 2c. [PUBLIC FACILITIES POOL ALLOCATION.] From the beginning of the calendar year until the last Monday in August, the commissioner shall allocate available bonding authority from the public facilities pool on Monday of each week to applications for eligible public facilities projects received on or before the Monday of the preceding week. If there are two or more applications for public facilities projects from the pool and there is insufficient bonding authority to provide allocations for all projects in any one week after all eligible bonding authority has been transferred as provided in section 474A.081, the available bonding authority shall be awarded by lot unless otherwise agreed to by the respective

issuers.

Sec. 11. Minnesota Statutes 1988, 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 ~~Monday~~ *Tuesday* in September only if the issuer has submitted to the department before the first ~~Monday~~ *Tuesday* in September 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. *The Minnesota housing finance agency may retain an unused portion of an allocation after the first Tuesday in September without submitting an additional deposit.*

Sec. 12. Minnesota Statutes Second 1989 Supplement, section 474A.061, subdivision 4, is amended to read:

Subd. 4. [RETURN OF ALLOCATION; DEPOSIT REFUND.] (a) If an issuer that receives an allocation under this section determines that it will not issue obligations equal to all or a portion of the allocation received under this section ~~by the end of the current year~~ *within 90 days of allocation* or within the time period permitted by federal tax law, *whichever is less*, the issuer must notify the department. If the issuer notifies the department *or the 90-day period since allocation has expired* prior to the last Monday in August, the amount of allocation *is canceled and returned* ~~must be reallocated~~ *for reallocation* through the pool from which it was originally allocated. If the issuer notifies the department *or the 90-day period since allocation has expired* on or after the last Monday in August, the amount of allocation *is canceled and returned* ~~must be reallocated~~ *for reallocation* through the unified pool. If the issuer notifies the department after the last Monday in November, the amount of allocation *is canceled and returned* ~~must be reallocated~~ *for reallocation* to the Minnesota housing finance agency.

(b) An issuer that returns for reallocation all or a portion of an allocation received under this section *within 90 days of allocation* shall receive within 30 days a refund ~~of all of its application deposits~~ equal to:

(1) one-half of the ~~amount on application deposit~~ for the amount of bonding authority returned ~~before the first Monday in November~~ *within 30 days of receiving allocation*;

(2) one-fourth of the ~~amount on application deposit~~ for the amount of bonding authority returned ~~on or after the first Monday in November and before the third Monday in November~~ *between 31 and 60 days of receiving allocation*; and

(3) one-eighth of the ~~amount on application deposit~~ for the amount of bonding authority returned ~~on or after the third Monday in November and before the last Monday in November~~ *between 61 and 90 days of receiving allocation*.

No refund shall be available for allocations returned 90 or more days after receiving the allocation. This subdivision does not apply to the Minnesota housing finance agency.

Sec. 13. Minnesota Statutes 1988, section 474A.081, as amended by Laws 1989, chapter 328, article 1, section 21, is amended to read:

474A.081 [POOL TRANSFERS.]

Subdivision 1. [AUTHORITY TO TRANSFER BONDING AUTHORITY.] If there is insufficient bonding authority in either the manufacturing pool or the multifamily housing pool to provide allocations for applications received in any one week, additional bonding authority for small issue bonds and residential rental project bonds may be obtained under this section.

Subd. 2. [TRANSFER LIMITS.] No transfer of bonding authority may be made from any pool for qualified bonds not eligible to receive allocations from that pool (i) prior to June 30, or (ii) if, on June 30, allocations of bonding authority have been made from that pool equal to or exceeding 50 percent of the annual volume cap originally allocated to that pool. ~~For 1987, the amount considered originally allocated to each of the pools shall be \$80,000,000 for the manufacturing pool and \$60,000,000 for the multifamily housing pool.~~

Subd. 4. [POOL TRANSFERS.] If there is insufficient bonding authority to provide allocations for all small issue bonds or residential rental project bonds in any one week, applications for small issue bonds may receive bonding authority from the multifamily housing pool or applications for residential rental project bonds may receive bonding authority from the manufacturing pool, except as provided in subdivision 2. If bonding authority is transferred from one pool to the other pool, applications for small issue bonds must receive priority for allocations from the manufacturing pool, and applications for residential rental project bonds must receive priority for allocations from the multifamily housing pool.

Sec. 14. Minnesota Statutes 1988, section 474A.091, subdivision 1, is amended to read:

Subdivision 1. [UNIFIED POOL AMOUNT.] On the day after the last Monday in August any bonding authority remaining unallocated from the manufacturing pool, the multifamily housing pool, and the public facilities pool is transferred to the unified pool and must be reallocated as provided in this section.

Sec. 15. Minnesota Statutes Second 1989 Supplement, section 474A.091, subdivision 2, is amended to read:

Subd. 2. [APPLICATION.] 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, ~~and~~ (4) an application deposit in the amount of two percent of the requested allocation, ~~and~~ (5) a public purpose scoring worksheet for small issue applications. ~~An issuer applying for an allocation for residential rental project bonds who does not sign an agreement requiring that the project comply with the gross rent restrictions of the low-income housing credit program under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1988, must submit an additional application deposit in the amount of one percent of the requested allocation. 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 September. Notwithstanding the restrictions imposed on unified pool allocations after October 1 under subdivision 3, paragraph (c)(2), the Minnesota housing finance agency may be awarded allocations for mortgage bonds from the unified pool after October 1. *The Minnesota housing finance agency may apply for and receive an allocation under this section without submitting an application deposit.*

Sec. 16. Minnesota Statutes Second 1989 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 September 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 October 1, allocations shall be awarded from the unified pool in the following order of priority:

(1) applications for small issue bonds, ~~with preference given to projects to be located in distressed counties designated under section 297A.257;~~

(2) applications for residential rental project bonds, ~~with preference given to issuers agreeing to require that the project comply with the gross rent restrictions of the low income housing credit program under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1988;~~

(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 September. 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 5. 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 5 are only eligible to receive a proportionally reduced share of the proposed authority. 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 5 with those projects receiving the greatest number of points receiving allocation first.

(c)(1) On the first Monday in October, \$20,000,000 of bonding authority or an amount equal to the total annual amount of bonding authority allocated to the manufacturing pool under section 474A.03, subdivision 1, less the amount allocated to issuers from the manufacturing pool for that year, whichever is less, is reserved within the unified pool for small issue bonds. On the first Monday in October, ~~\$5,000,000~~ \$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 and public facility bonds, ~~three-fourths~~ *seven-eighths* of the remaining available bonding authority is reserved for small issue bonds and ~~one-fourth~~ *one-eighth* of the remaining available bonding authority is reserved for public facility bonds.

(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; ~~or~~.
- (iii) ~~60 percent of the amount initially allocated to the unified pool.~~

An allocation for mortgage bonds may be used for mortgage credit certificates.

After October 1, allocations shall be awarded from the unified pool only for the following types of qualified bonds: small issue bonds, ~~with preference given to manufacturing projects to be located in distressed counties designated under section 297A.257,~~ public facility bonds, 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. 17. Minnesota Statutes 1988, section 474A.091, subdivision 4, is amended to read:

Subd. 4. [MORTGAGE BOND SUNSET BONDS.] ~~If federal tax law is not amended to permit the issuance of tax-exempt mortgage bonds after December 31, 1988, All remaining bonding authority available for allocation under this section on December 1, 1988, is allocated to the Minnesota housing finance agency. For purposes of this subdivision, "city" has the meaning given it in section 462C.02, subdivision 6. The Minnesota housing finance agency shall reallocate at least 50 percent of the remaining bonding authority available for allocation to cities requesting an allocation on or before November 1, 1988, for the issuance of mortgage bonds. A city may apply for an allocation under this subdivision by submitting to the Minnesota housing finance agency an application on or before November 1, 1988, on forms provided by the agency. After December 1, 1988, any unallocated bonding authority remaining after all city requests are filled~~

is reallocated to the Minnesota housing finance agency for issuance by the agency or for reallocation to a city requesting an allocation on or before November 1, 1988.

Sec. 18. Minnesota Statutes 1988, section 474A.091, subdivision 5, is amended to read:

Subd. 5. [RETURN OF ALLOCATION; DEPOSIT REFUND.] (a) If an issuer that receives an allocation under this section determines that it will not issue obligations equal to all or a portion of the allocation received under this section by the end of the current year within 90 days of the allocation or within the time period permitted by federal tax law, whichever is less, the issuer must notify the department. If the issuer notifies the department or the 90-day period since allocation has expired prior to the last Monday in November, the amount of allocation is canceled and returned ~~must be reallocated~~ for reallocation through the unified pool.

(b) An issuer that returns for reallocation all or a portion of an allocation received under this section within 90 days of the allocation shall receive within 30 days a refund of its application deposit equal to:

(1) one-half of the amount on application deposit for the amount of bonding authority returned before the first Monday in November within 30 days of receiving the allocation;

(2) one-fourth of the amount on application deposit for the amount of bonding authority returned on or after the first Monday in November and before the third Monday in November between 31 and 60 days of receiving the allocation; and

(3) one-eighth of the amount on application deposit for the amount of bonding authority returned on or after the third Monday in November and before the last Monday in November between 61 and 90 days of receiving the allocation.

No refund of the application deposit shall be available for allocations returned on or after the last Monday in November. This subdivision does not apply to the Minnesota housing finance agency.

Sec. 19. Minnesota Statutes 1988, section 474A.131, subdivision 2, is amended to read:

Subd. 2. [CARRYFORWARD NOTICE.] If an issuer intends to carry forward an allocation received under this chapter, it must notify the department in writing before the last Monday of December. If the written notice of carryforward is not provided within the time required, one-quarter of the amount of the application deposit eligible for refund upon filing of the notice of issue under this section is forfeited.

Sec. 20. Minnesota Statutes 1988, section 474A.14, is amended to read:

474A.14 [NOTICE OF AVAILABLE AUTHORITY.]

The department shall publish in the State Register at least twice monthly, a notice of the amount of bonding authority, if any, available for allocation pursuant to sections 474A.061 and 474A.091 in the housing, manufacturing, and public facilities pools as soon after January 1 as possible. The department shall publish in the State Register a notice of the amount of bonding authority available for allocation in the unified pool as soon after September 1 as possible.

Sec. 21. [SUNSET OF QUALIFIED BONDS.]

Subdivision 1. [TRANSFER.] If federal tax law is not amended by May 31, 1990, to permit the issuance of tax exempt mortgage bonds or small issue bonds past September 30, 1990, all remaining bonding authority available for allocation in housing, manufacturing, and public facilities pools is transferred to the unified pool on the first business day in June and must be reallocated as provided in this section.

Subd. 2. [APPLICATION.] 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 two percent of the requested allocation, and (5) a public purpose scoring worksheet for small issue applications as provided under section 5. 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 Minnesota Statutes, 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 June. Notwithstanding the restrictions imposed on the unified pool allocations after July 1 under subdivision 3, paragraph (c), clause (2), the agency may be awarded allocations for mortgage bonds from the unified pool after July 1. The agency may apply for and receive an allocation under this section without submitting an application deposit.

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 June through and on the last Monday in August. 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.

(b) On or before July 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 facilities projects financed with 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 June and must meet the eligibility requirements of section

6. *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 5. Proposed manufacturing projects that receive 50 points or more are eligible for all of the proposed allocations. 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 5 with those projects receiving the greatest number of points receiving allocation first. 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.*

(c)(1) On the first Monday in July, \$20,000,000 of bonding authority or an amount equal to the total annual amount of bonding authority allocated to the manufacturing pool under Minnesota Statutes, section 474A.03, subdivision 1, less the amount allocated to issuers from the manufacturing pool for that year, whichever is less, is reserved within the unified pool for small issue bonds. On the first Monday in July, \$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 and public facility bonds, 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.

(2) Allocations for mortgage bonds from the unified pool may not exceed:

(i) \$10,000,000 for any one city;

(ii) \$20,000,000 for any number of cities in any one county; or

(iii) 60 percent of the amount initially allocated to the unified pool.

An allocation for mortgage bonds may be used for mortgage credit certificates.

After July 1, allocations shall be awarded from the unified pool only for the following types of qualified bonds: small issue bonds, public facility bonds, 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.

Subd. 4. [REMAINING ALLOCATION.] Any remaining bonding authority that has not been allocated by September 1 in the unified pool shall be allocated to the Minnesota housing finance agency.

Subd. 5. [RETURN OF ALLOCATION; DEPOSIT REFUND.] (a) If an issuer that receives an allocation under this section determines that it will not issue obligations equal to all or a portion of the allocation received under this section within 90 days of the allocation or within the time period permitted by federal tax law, whichever is less, the issuer must notify the department. If the issuer notifies the department or the 90-day period since allocation has expired prior to the last Monday in August, the amount of allocation is canceled and returned for reallocation through the unified pool.

(b) An issuer that returns for reallocation all or a portion of an allocation received under this section within 90 days of the allocation shall receive within 30 days a refund equal to:

(1) one-half of the application deposit for the amount of bonding authority returned within 30 days of receiving the allocation;

(2) one-fourth of the application deposit for the amount of bonding authority returned between 31 and 60 days of receiving the allocation; and

(3) one-eighth of the application deposit for the amount of bonding authority returned between 61 and 90 days of receiving the allocation.

No refund of the application deposit shall be available for allocations returned on or after the last Monday in August.

Sec. 22. [REPEALER.]

Minnesota Statutes 1988, section 474A.091, subdivision 4a; and Minnesota Statutes Second 1989 Supplement, section 474A.061, subdivision 2, are repealed. Section 21 is repealed January 1, 1991.

Sec. 23. [EFFECTIVE DATE.]

Sections 1 to 4, 7 to 20, and 22 are effective January 1, 1991. Sections 5, 6, and 21 are effective the day after final enactment."

Amend the title as follows:

Page 1, line 7, after "1" insert ", 4,"

Page 1, line 13, delete "subdivisions 4 and" and insert "subdivision" and delete "repealing"

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1915: A bill for an act relating to children; establishing a board to plan, coordinate, and oversee early childhood family development programs and services; requiring local area planning councils to be established; establishing a technical advisory committee; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 129D; repealing Minnesota Statutes 1989 Supplement, section 256H.25.

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

Delete everything after the enacting clause and insert:

"Section 1. [129D.01] [MINNESOTA EARLY CHILDHOOD FAMILY COORDINATING BOARD.]

Subdivision 1. [MEMBERSHIP; CHAIR.] (a) The Minnesota early childhood family coordinating board consists of 15 members appointed by the governor as follows:

(1) 11 members who have demonstrated expertise in programs and services for children from birth through age eight;

(2) two members who are early childhood family development experts from post-secondary educational institutions; and

(3) two members who are parents with children in early childhood family development programs.

Members appointed under clause (1) must have expertise in programs and services of child care, family child care, school-age child care, Head Start, early childhood family education, parent education, nursery school programs and services, early childhood family education programs for handicapped children, or early childhood health services.

(b) Membership of the board must reflect the geographical, racial, and ethnic diversity of the state.

(c) The governor shall appoint a member of the board to serve as its chair.

Subd. 2. [TERMS; COMPENSATION.] Terms and removal of members and the filling of membership vacancies are governed by section 15.0575. Compensation of members is governed by section 15.059, subdivision 6.

Subd. 3. [MEETINGS; DUTIES.] The board shall meet at least four times a year and shall:

(1) plan for the coordination and integration of the development and delivery of new and existing public and private early childhood family development programs and services;

(2) recommend to the governor and the legislature policies, legislation, and funding that will further develop and improve early childhood family development programs and services;

(3) develop and recommend a quality control system that would promote a level of consistent high quality across all programs and services and that could ensure that all early childhood family development programs and services have the developmental focus appropriate to the age and needs of the child;

(4) oversee local area planning councils established under section 2 by defining planning boundaries, developing selection criteria, designating organizations that meet the criteria, and providing technical assistance as needed;

(5) study and evaluate issues including personnel compensation and benefit levels, availability of facilities, caregiver training and certification offerings, parental participation, and business involvement, and recommend strategies for expansion and improvement of the early childhood family development system;

(6) issue requests for proposals to provide comprehensive and coordinated early childhood family development services at the local level;

(7) authorize the acceptance and expenditure of grants, awards, or other funds or appropriations as may be available to the board to carry out the purposes of the board;

(8) establish demonstration models of integrated early childhood family development programs;

(9) develop interagency mechanisms for the planning, coordination, and integration of early childhood family development programs and services at the state and local level;

(10) set budget priorities that will create an equitable distribution of resources across the state for the development and expansion of early childhood family development programs and services, based upon the biennial state plan for early childhood family development services established under section 3;

(11) promote public-private sector collaboration for early childhood family development programs and services;

(12) promote research and evaluation efforts across the early childhood family development system; and

(13) serve as a clearinghouse for information on early childhood family development programs and services.

Subd. 4. [EXECUTIVE DIRECTOR.] The board shall appoint a full-time executive director to serve in the unclassified service. The director may employ other personnel in the classified service as necessary to enable the early childhood family coordinating board to perform its duties. The executive director must be a person qualified by training and ability in the field of early childhood family development.

Subd. 5. [DUTIES OF THE EXECUTIVE DIRECTOR.] The executive director shall:

(1) supervise the staff, prepare an annual work plan, and perform all duties and responsibilities assigned by the board;

(2) make and enter into all contracts and agreements necessary or incidental to the performance of the board's duties and the execution of its powers under this section, including contracts with the United States or other states and agencies and governmental subdivisions of the state;

(3) accept and expend grants, awards, or other funds or appropriations as may be available to and authorized by the board to carry out the purposes of the board.

Sec. 2. [129D.02] [LOCAL AREA PLANNING COUNCILS.]

Subdivision 1. [DESIGNATION; PURPOSE.] The early childhood family coordinating board shall designate local area planning councils across the state to plan for, develop, and coordinate early childhood family development programs and services at the local level.

Subd. 2. [DUTIES OF LOCAL AREA PLANNING COUNCILS.] The local area planning councils shall:

(1) assess the early childhood family development needs in a given community;

- (2) *develop a system of planning and coordination at the local level;*
- (3) *assist the community to obtain needed resources and provide technical assistance with program and service implementation;*
- (4) *review and recommend local funding requests to the board;*
- (5) *promote consumer education about the importance of quality resources;*
and
- (6) *report community assessment data to the board before the development of the biennial state plan and assist in the development of the biennial state plan.*

Sec. 3. [129D.03] [BIENNIAL STATE PLAN FOR EARLY CHILDHOOD FAMILY DEVELOPMENT PROGRAMS AND SERVICES.]

The early childhood family coordinating board shall develop a biennial state plan for early childhood family development programs and services. The plan must set forth the policies and goals for early childhood family development programs and services, identify service needs and gaps in services, and provide a plan for meeting identified needs. The biennial state plan must be submitted to the governor and the legislature before each biennial budget year.

Sec. 4. [129D.04] [TECHNICAL ADVISORY COMMITTEE.]

The technical advisory committee to the early childhood family coordinating board shall advise the board in carrying out its powers and duties and in the development of the biennial state plan for early childhood family development programs and services. It shall also provide technical and support services to the board.

The technical advisory committee consists of representatives from major early childhood family development services associations, designated by the executive director of the early childhood family coordinating board, and the commissioners of human services, education, health, jobs and training, state planning, and finance, and the director of the higher education coordinating board or their designees. Compensation of committee members is governed by section 15.059, subdivision 6.

Sec. 5. [INITIAL TERMS.]

Notwithstanding section 1, subdivision 2, the governor shall appoint the initial members of the Minnesota early childhood family coordinating board as follows:

- (1) *five members to two-year terms;*
- (2) *five members to three-year terms; and*
- (3) *five members to four-year terms.*

Sec. 6. [INITIAL DESIGNATION OF LOCAL AREA PLANNING COUNCILS.]

The Minnesota early childhood family coordinating board shall complete its initial designation of local area planning councils under section 2 by June 30, 1994.

Sec. 7. [INITIAL PLAN.]

The initial biennial state plan required by section 3 is due by December 31, 1990. In addition to the biennial plans required by section 3, the early

childhood family coordinating board, by December 31, 1991, shall submit to the governor and legislature a plan for the establishment of six pilot local area planning councils and a plan for the continued development of local area planning councils across the state.

Sec. 8. [INITIAL EXECUTIVE DIRECTOR APPOINTMENT.]

Notwithstanding section 1, subdivision 4, the governor shall appoint the first executive director of the early childhood family coordinating board to a two-year term in the unclassified service.

Sec. 9. [APPROPRIATION TRANSFER.]

Any unencumbered or unexpended balance remaining in the appropriation to the department of human services and allocated for the use of the governor's council on children, youth, and family shall cancel and is appropriated from the general fund to the department of education for the Minnesota early childhood family coordinating board for fiscal year 1990 for the purposes of sections 1 to 8. The 1990 appropriation does not cancel and is available until June 30, 1991.

The state complement for the Minnesota early childhood family coordinating board is four.

Sec. 10. [REPEALER.]

Minnesota Statutes 1989 Supplement, section 256H.25, is repealed August 1, 1990. Sections 1 to 4 are repealed August 1, 1995.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 9 are effective the day following final enactment."

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F. No. 1881: A bill for an act relating to peace officers; providing death benefits to dependents of peace officers killed in the line of duty; expanding the application of activities considered to be in the line of duty; amending Minnesota Statutes 1988, section 176B.04.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 176B.04, is amended to read:

176B.04 [DISBURSEMENTS.]

Upon certification to the governor by the administrator of the fund that a peace officer employed by a state or governmental subdivision within this state has been killed in the line of duty, leaving a spouse or one or more eligible dependents, the commissioner of finance shall, subject to the approval of the workers' compensation court of appeals, pay \$100,000 as follows:

(a) if there is no dependent child, to the spouse;

(b) if there is no spouse, to the dependent child or children in equal shares;

(c) if there are both a spouse and one or more dependent children, one-half to the spouse and one-half to the child or children, in equal shares;

(d) if there is no surviving spouse or dependent child or children, to the parent or parents dependent for *economic* support on the decedent, in equal shares;

(e) if there is no surviving spouse or dependent child, children or *economically dependent* parent, ~~then there shall be~~ no payment may be made from the peace officers benefit fund.

When payment is to be made to a dependent child, the commissioner of finance may petition the probate court having jurisdiction over the decedent's estate for the appointment of a conservator under section 525.541.

A peace officer is "killed in the line of duty" if the person dies as a result of an event or events occurring at any time while the person was performing duties peculiar to a peace officer that expose the officer to the hazard of being killed. Being killed in the line of duty does not include deaths from natural causes or deaths that occur during employment for a private employer other than an independent nonprofit firefighting corporation."

Amend the title as follows:

Page 1, line 4, delete "expanding the application of" and insert "defining"

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2205: A bill for an act relating to the metropolitan waste control commission; providing for criminal and civil penalties for violations of pretreatment standards; proposing coding for new law in Minnesota Statutes, chapter 473.

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

Page 1, line 7, delete "PRETREATMENT" and after "ENFORCEMENT" insert "OF PRETREATMENT STANDARDS AND REQUIREMENTS"

Page 1, line 9, delete everything after "means" and insert "any discharge or action by a person"

Page 1, line 14, delete the first "A" and insert "Each"

Page 1, delete lines 18 to 20 and insert:

"Subd. 2. {CRIMINAL PENALTIES; DUTIES.} (a) Any person who commits a violation under subdivision 1 may be sentenced to imprisonment for not more than 90 days or to payment of a fine of not more than \$1,000, or both."

Page 2, after line 3, insert:

"Sec. 2. Laws 1971, chapter 478, section 17, subdivision 4, is amended

to read:

Subd. 4. The board shall have the power to adopt rules and regulations relating to the board's responsibilities and may provide penalties for the violation thereof ~~not exceeding the maximum which may be specified for a misdemeanor of imprisonment for not more than 90 days or the payment of a fine or civil penalty of not more than \$1,000, or both, for each violation.~~ Any rule or regulation prescribing a penalty for violation shall be published at least once in a newspaper having general circulation in the district. Such violations may be prosecuted before any court in the district having jurisdiction of misdemeanors, and every such court shall have jurisdiction of such violations. Any constable or other peace officer of any municipality in the district may make arrests for such violations committed anywhere in the district in like manner and with like effect as for violations of village ordinances or for statutory misdemeanors. All fines collected in such cases shall be deposited in the treasury of the board, or may be allocated between the board and the municipality in which such prosecution occurs on such basis as the board and the municipality agree."

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

Page 2, after line 5, insert:

"Section 2 is effective only after its approval by the sanitary board of the Western Lake Superior Sanitary District, and upon compliance with Minnesota Statutes, section 645.021."

Amend the title as follows:

Page 1, line 2, delete "the metropolitan" and delete "commission"

Page 1, line 4, delete "pretreatment standards" and insert "criteria of the metropolitan waste control commission and the Western Lake Superior Sanitary District board; amending Laws 1971, chapter 478, section 17, subdivision 4"

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1807: A bill for an act relating to Hennepin county; permitting the issuance of obligations by the county board for a public safety building.

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

Mr. Dicklich from the Committee on Public Utilities and Energy, to which was referred

S.F. No. 1743: A bill for an act relating to telephone service; requiring the expansion of the metropolitan extended area telephone service, under some circumstances; proposing coding for new law in Minnesota Statutes, chapter 237.

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

Page 1, line 20, after the period, insert "*Rates within the existing metropolitan extended area service may not be raised as a result of the addition*"

of a local exchange or wire center under this section until the rate in the added local exchange or wire center is at least equal to the tier four rate."

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 2076: A bill for an act relating to education; allowing independent school district No. 712 to establish a special account; amending Laws 1984, chapter 463, article 6, section 15, subdivision 2.

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

Delete everything after the enacting clause and insert:

"Section 1. Laws 1984, chapter 463, article 6, section 15, subdivision 2, is amended to read:

Subd. 2. [USE OF PROCEEDS.] (a) The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

(b) The district shall establish a reserved account in the general fund which shall include the total July 1985 unreserved fund balance in the operating funds plus all levy proceeds dedicated to the retirement of this deficit plus any adjustment specified by the commissioner.

(c) The district shall establish on July 1, 1990, a reserved account in the general fund equal to the unreserved undesignated fund balance in the operating funds as of June 30, 1990. Starting with fiscal year 1991, this account shall be adjusted by the levy proceeds dedicated to retirement of the deficit fund balance.

(d) The district shall certify an appropriated debt levy each year in account to eliminate the deficit in the account established pursuant to paragraph (c). This levy shall not exceed in any year 4.5 percent of the most recent adjusted net capacity of the district."

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 2439: A bill for an act relating to education; allowing the Pine Point School to qualify for federal impact aid; amending Minnesota Statutes 1989 Supplement, sections 128B.01, subdivision 1; and 128B.03, subdivisions 3, 4, 6, and 8; repealing Minnesota Statutes 1989 Supplement, sections 128B.02, subdivision 4; and 128B.05, subdivision 3.

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

Page 1, delete sections 1 and 2

Page 1, line 24, delete "(a)" and reinstate the stricken language

Page 1, lines 25 to 27, reinstate the stricken language and delete the new language

Page 2, delete lines 9 to 11 and insert:

“For the sole purpose of receiving federal impact aid, the experimental school on the land comprising the former independent school district No. 25 is a local education agency, according to the Code of Federal Regulations, title 34, section 222.80. The school and the land shall not be included, for the purpose of determining federal impact aid, in independent school district No. 309.”

Page 2, delete section 4

Page 2, delete lines 19 to 28

Page 2, delete lines 30 and 31 and insert:

“Section 1 is retroactively effective July 1, 1989.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete “sections 128B.01,” and insert “section 128B.03, subdivision 4.”

Page 1, delete lines 5 to 8

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

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

S.F. No. 2236: A bill for an act relating to the environment; changing the requirements for management plans; directing the commissioner of health to refund fees; amending Minnesota Statutes 1989 Supplement, sections 116.76, subdivision 8, and by adding a subdivision; 116.77; and 116.79, subdivisions 1 and 3.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1989 Supplement, section 116.76, subdivision 8, is amended to read:

Subd. 8. [FACILITY.] “Facility” means a site where infectious or pathological waste is generated, stored, decontaminated, incinerated, or disposed, *except that each of the following is a single facility:*

(1) a school district, including a nonpublic school within the district that is included in the district’s management plan;

(2) a community health board;

(3) a college or a university campus, including a student health service, but not including a hospital or clinic; and

(4) a hospital or clinic, excluding a student health service, on a campus of a college or university.

Sec. 2. Minnesota Statutes 1989 Supplement, section 116.76, is amended by adding a subdivision to read:

Subd. 7a. [EMPLOYEE.] “Employee” means an employee, either full

or part time, involved in the delivery of health care or the generation of infectious or pathological waste. Volunteers involved in the generation of infectious or pathological waste are not employees.

Sec. 3. Minnesota Statutes 1989 Supplement, section 116.77, is amended to read:

116.77 [COVERAGE.]

Sections 116.75 to 116.83 and 609.671, subdivision 10, cover any person, *including veterinarians in private practice*, who generates, treats, stores, transports, or disposes of infectious or pathological waste ~~except~~, *but not including* infectious or pathological waste generated by households, farm operations, or agricultural businesses. Except as specifically provided, sections 116.75 to 116.83 do not limit or alter treatment or disposal methods for infectious or pathological waste.

Sec. 4. Minnesota Statutes 1989 Supplement, section 116.82, is amended by adding a subdivision to read:

Subd. 4. [ONLY METROPOLITAN COUNCIL AND AGENCY APPROVAL REQUIRED FOR CERTAIN SITES.] A local government unit in the metropolitan area may not prevent the establishment, operation, or expansion of a facility for the incineration of items defined in section 116.76 if the facility has obtained the necessary approvals from the metropolitan council and the pollution control agency. The local unit of government may impose reasonable conditions respecting the construction, inspection, monitoring, and maintenance of a facility."

Delete the title and insert:

"A bill for an act relating to the environment; defining facility and employer for purposes of infectious and pathological waste regulations; clarifying persons subject to infectious and pathological waste requirements; restricting local regulation of certain incineration facilities; amending Minnesota Statutes 1989 Supplement, sections 116.76, subdivision 8, and by adding a subdivision; 116.77; and 116.82, by adding a subdivision."

And when so amended the bill do pass. Mr. Merriam questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

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

S.F. No. 2270: A bill for an act relating to solid waste management; permitting certain fees; granting authority to St. Louis county; amending Minnesota Statutes 1988, section 400.08, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 383C.

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

Page 1, line 9, after "1." insert "[CONTRACTS.]" and delete "*or other*"

Page 1, line 10, delete "*law*"

Page 1, line 16, after "2." insert "[MUNICIPALITY CONTRACTS.]"

Page 1, line 23, after "3." insert "[ACTS FOR UNORGANIZED TERRITORIES.]"

Page 2, line 4, after "or" insert "town"

Page 2, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 1988, section 574.26, is amended to read:
574.26 [CONTRACTORS' BONDS.]

Subdivision 1. [BOND REQUIREMENT.] Except as provided in sections 574.263 and 574.264 or if the amount of the contract is \$10,000 or less, a contract with the state, or with any municipal corporation or other public board or body thereof, for the doing of any public work, is not valid unless the contractor shall give bond to the state or other body contracted with, for the use of the obligee, the state and of all persons doing work or furnishing skill, tools, machinery, or materials or insurance premiums or equipment or supplies for any camp maintained for the feeding or keeping of workers and animals engaged under, or for the purpose of, such contract, conditioned for the payment, as they become due, of all just claims for such work, tools, machinery, skill, materials, insurance premiums, equipment, taxes incurred under section 290.92 or chapter 297A, and supplies for the completion of the contract in accordance with its terms, for saving the obligee harmless from all costs and charges that may accrue on account of the doing of the work specified, and for the enforcing of the terms of the bond if action is brought on the bond, including reasonable attorney's fees, in any case where such action is successfully maintained and for the compliance with the laws appertaining thereto. The penalty of such bond shall be not less than the contract price, and if after the giving of the bond the contract price should for any reason be increased, the obligee may require an additional bond, the penalty of which shall be not less than the amount of such increase, and if such additional bond be not furnished within ten days after such demand, the work on the contract shall cease until such additional bond shall have been furnished. In contracts made by the commissioner of administration or the department of transportation of the state, the penalty of the bond shall be in such amount as the commissioner of administration or the commissioner of transportation may fix, but not less than three-quarters of the contract price.

Subd. 2. [EXEMPTION FROM BOND REQUIREMENT.] *A bond is not required for a contract that does not require payment of any portion of the contract price before completion of the project."*

Page 2, line 28, delete everything after "1" and insert "*is effective the day following final enactment.*"

Page 2, delete lines 29 and 30

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "permitting certain"

Page 1, line 3, delete "fees;" and after "county;" insert "exempting the bond requirement for certain municipal contracts;"

Page 1, line 4, delete "400.08, subdivision" and insert "574.26;"

Page 1, line 5, delete "3;"

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

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

S.F. No. 1907: A bill for an act relating to environment; setting fees based on performance for motor vehicle emissions inspections in the metropolitan area; amending Minnesota Statutes 1988, sections 116.64; and 116.65, subdivision 2.

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

Delete everything after the enacting clause and insert:

“Section 1. [STUDY.]

As part of its current study on the mix of air pollutants in the metropolitan area, the pollution control agency shall determine if the inspection maintenance program should be altered to meet new federal requirements contained in the Clean Air Act amendments. The pollution control agency shall also determine the reduction in overall emissions that would result from requiring that all vehicles owned by governmental units in the metropolitan area use block heaters. The pollution control agency shall also assess the cost-effectiveness of retrofitting current public parking facilities for block heater use. The pollution control agency shall report its findings to the legislature by January 10, 1991.”

Delete the title and insert:

“A bill for an act relating to the environment; providing that the pollution control agency consider additional factors in its study of air quality in the metropolitan area.”

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2483: A bill for an act relating to corporations; clarifying and modifying provisions relating to the organization and operation of nonprofit corporations; amending Minnesota Statutes 1989 Supplement, sections 317A.011, subdivision 15; 317A.021, subdivision 4; 317A.111, subdivision 3; 317A.115, subdivision 2; 317A.133, subdivisions 1, 2, 3, and 4; 317A.181, subdivision 2; 317A.201; 317A.205; 317A.207, subdivision 1; 317A.213; 317A.225; 317A.237; 317A.251, subdivision 3; 317A.301; 317A.311; 317A.321; 317A.341, subdivision 2; 317A.401, subdivision 4; 317A.403; 317A.431; 317A.435, subdivision 2; 317A.443, subdivision 1; 317A.453, subdivision 3; 317A.455, subdivision 3; 317A.615, subdivision 1; 317A.711, subdivision 2; 317A.735, subdivisions 1 and 2; 317A.811, subdivisions 1, 4, and 6; 317A.821, subdivision 2; 317A.823, subdivisions 2 and 3; and 354A.021, subdivision 2.

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

Page 1, after line 25, insert:

“Sec. 2. Minnesota Statutes 1989 Supplement, section 317A.021, subdivision 1, is amended to read:

Subdivision 1. [ELECTION BY CHAPTER 300, 309, OR 315 CORPORATIONS.] A corporation incorporated under *or governed by* chapter

300, 309, or 315 that has not later become governed by chapter 317 may elect to be governed by this chapter.

Sec. 3. Minnesota Statutes 1989 Supplement, section 317A.021, subdivision 2, is amended to read:

Subd. 2. [ELECTION BY CHAPTER 317 CORPORATIONS.] On or after August 1, 1989, and before January 1, 1991, a corporation incorporated under *or governed by* chapter 317 may elect to become governed by this chapter.

Sec. 4. Minnesota Statutes 1989 Supplement, section 317A.021, subdivision 7, is amended to read:

Subd. 7. [NONELECTING NONPROFIT CORPORATIONS SUBJECT TO THIS CHAPTER AS OF JANUARY 1, 1991.] (a) A corporation in existence on January 1, 1991, that is within the scope of this chapter and incorporated under another statute of this state, other than a corporation incorporated under chapter 300, 309, or 315 that has not later become governed by chapter 317, is governed by this chapter as of January 1, 1991, as though the corporation had been incorporated under this chapter. The provisions of the articles and bylaws of the corporation that may be included in the articles or bylaws under this chapter remain in effect. The provisions of the articles and bylaws of the corporation that are inconsistent with this chapter are not effective as of January 1, 1991. Provisions required by this chapter to be contained in the articles that do not appear in the articles are read into them as a matter of law.

(b) On and after January 1, 1991, a corporation that elected to reject Laws 1951, chapter 500, sections 1 to 25, that does not elect to be governed by this entire chapter is governed by sections 317A.131 to 317A.151; 317A.461; and 317A.601 to 317A.791."

Page 4, after line 13, insert:

"Sec. 7. Minnesota Statutes 1989 Supplement, section 317A.111, subdivision 4, is amended to read:

Subd. 4. [OPTIONAL PROVISIONS; SPECIFIC SUBJECTS.] The following provisions relating to the management or regulation of the affairs of a corporation may be included in the articles or, except for naming members of the first board ~~or fixing a greater than majority director or member vote~~, in the bylaws:

(1) the first board of directors may be named in the articles (section 317A.171);

(2) additional qualifications for directors may be imposed (section 317A.205);

(3) terms of directors may be staggered (section 317A.207);

(4) the day or date, time, and place of board meetings may be fixed (section 317A.231);

(5) in addition to the president, authority to sign and deliver certain documents may be delegated to an officer or agent of the corporation (section 317A.305);

(6) additional officers may be designated (section 317A.311);

(7) additional powers, rights, duties, and responsibilities may be given

to officers (section 317A.311);

(8) a method for filling vacant offices may be specified (section 317A.341);

(9) membership criteria and procedures for admission may be established (section 317A.401);

(10) membership terms may be fixed (section 317A.401);

(11) a corporation may levy dues, assessments, or fees on members (section 317A.407);

(12) a corporation may buy memberships (section 317A.413);

(13) a corporation may have delegates with some or all the authority of members (section 317A.415);

(14) the day or date, time, and place of regular member meetings or the place of special meetings may be fixed (section 317A.431);

(15) certain persons may be authorized to call special meetings of members (section 317A.433);

(16) notices of special member meetings may be required to contain certain information (section 317A.433);

(17) a larger than majority vote may be required for member action (section 317A.443);

(18) members may vote by proxy (section 317A.453); and

(19) members may enter into voting agreements (section 317A.457)."

Page 16, after line 25, insert:

"Sec. 39. Minnesota Statutes 1989 Supplement, section 317A.821, subdivision 1, is amended to read:

Subdivision 1. [NOTICE FROM SECRETARY OF STATE; REGISTRATION REQUIRED.] (a) Before February 1, 1990, the secretary of state shall mail a corporate registration form by first-class mail to each corporation at its last registered office address listed in the records of the secretary of state. The form must include the exact legal corporate name and registered office address currently on file with the secretary of state.

(b) A corporation that is subject to chapter 317 shall file an initial corporate registration with the secretary of state between January 1, 1990, and December 31, 1990. The registration must include the exact legal corporate name and registered office address of the corporation and must be signed by an authorized person. If the current registered office address listed in the records of the secretary of state is not in compliance with section 317A.011, subdivision 2, or if the corporation has changed its registered office address to an address other than that listed with the secretary of state, the corporation shall list a new registered office address that complies with section 317A.011, subdivision 2, on the registration form. A fee of \$35 must be paid for filing the registered office address change, *provided that a fee may not be charged if the registered office address is being changed only because of failure to comply with section 317A.011, subdivision 2.* The new registered office address must have been approved by the board."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "subdivision 4" and insert "subdivisions 1, 2, 4, and 7" and delete "subdivision 3" and insert "subdivisions 3 and 4"

Page 1, line 17, delete "subdivision 2" and insert "subdivisions 1 and 2"

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

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 1499: A bill for an act relating to consumer protection; regulating certain rental-purchase agreements; prescribing the rights and duties of all parties; requiring disclosures; regulating advertising; providing remedies; amending Minnesota Statutes 1988, section 325G.15, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 325F

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

Page 8, line 35, before "No" insert "*This subdivision applies until the rules adopted by the commissioner of commerce under subdivision 3 are effective.*"

Page 9, after line 5, insert:

"Subd. 3. [CASH PRICE LIMITS RULES.] The commissioner of commerce shall adopt rules governing cash price limits for rental-purchase agreements. Notwithstanding section 14.18, the rules are effective 45 working days after the notice of adoption is published in the State Register."

Page 9, line 6, delete "3" and insert "4"

Page 14, line 26, delete everything after "the"

Page 14, line 27, delete everything before "cost"

Page 14, after line 29, insert:

"Sec. 17. [EFFECTIVE DATE; APPLICATION.]

Sections 1 to 14 are effective August 1, 1990, and apply to rental-purchase agreements executed on or after that date. Section 15 does not affect the applicability of Minnesota Statutes 1988, sections 325G.15 and 325G.16, to a contract executed before rules adopted by the commissioner of commerce under section 8, subdivision 3, are effective."

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2054: A bill for an act relating to courts; staggering the elections of chief judges and assistant chief judges; amending Minnesota Statutes 1988, section 484.69, subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1988, section 484.69, subdivision 2.

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

Page 2, after line 14, insert:

"Sec. 3. Minnesota Statutes 1988, section 593.19, is amended to read:

593.19 [MISCONDUCT OF OFFICER DRAWING JURY.]

Every An officer or other person charged by law with the preparation of any jury list, or list of names from which ~~any~~ a jury is to be drawn, and ~~every~~ a person authorized by law to assist at the drawing or impaneling of a grand or petit jury to attend a court or term of court, or to try any cause or issue, who ~~shall~~:

(1) ~~Place places~~ on ~~any such~~ a list ~~any~~ a name at the request or solicitation, direct or indirect, of ~~any~~ a person;

(2) ~~Designedly put~~ ~~purposely puts~~ upon a list of jurors, as having been drawn, ~~any~~ a name ~~which that~~ was not lawfully drawn for that purpose;

(3) ~~Designedly omit~~ ~~purposely omits~~ to place on ~~such~~ a list ~~any~~ a name ~~which that~~ was lawfully drawn;

(4) ~~Designedly sign~~ ~~purposely signs~~ or ~~certify certifies~~ a list of ~~such~~ jurors as having been drawn, ~~which that~~ was not lawfully drawn;

(5) ~~Designedly withdraw~~ ~~purposely withdraws~~ from the box or other receptacle for the ballots containing the names of ~~such the~~ jurors any paper or ballot lawfully placed or belonging there, and containing the name of a juror, or ~~omit to place therein any name lawfully drawn or designated, or place therein a paper or ballot containing the name of a person not lawfully drawn and designated as a juror; or~~

(6) ~~Who~~, in drawing or impaneling ~~such the~~ jury, ~~shall do any does an act which that is unfair, partial, or improper in any other respect shall be, is guilty of a misdemeanor.~~

Sec. 4. Minnesota Statutes 1988, section 593.21, is amended to read:

593.21 [MISCONDUCT OF OFFICER IN CHARGE OF JURY.]

Every An officer to whose charge a jury is committed by a court, who negligently or willfully, and without leave of the court, permits them, or any one of them, to receive ~~any~~ a communication from ~~any~~ a person, to make ~~any~~ a communication to ~~any~~ a person, to obtain or receive ~~any~~ a book, paper, or refreshment, or to leave the jury room, is guilty of a misdemeanor.

Sec. 5. Minnesota Statutes 1988, section 593.31, is amended to read:

593.31 [UNIFORM SELECTION AND SERVICE; DECLARATION OF POLICY.]

It is the policy of this state that all persons selected for jury service be selected at random from the broadest feasible cross section of the population of the area served by the court, and that all qualified citizens have the opportunity in accordance with ~~sections 593.31 to 593.50 this chapter and applicable court rules~~ to be considered for jury service in this state, and that qualified citizens have an obligation to serve as jurors when summoned for that purpose.

Sec. 6. Minnesota Statutes 1988, section 593.37, subdivision 2a, is amended to read:

Subd. 2a. The department of public safety shall, upon request and for a reasonable fee, provide drivers' license lists to the jury commissioner. ~~The lists shall be used solely as a supplementary source for selection of prospective jurors.~~

Sec. 7. Minnesota Statutes 1988, section 593.40, subdivision 4, is amended to read:

Subd. 4. A prospective juror who fails to return a completed juror qualification ~~form~~ *questionnaire* as instructed may be ordered by the court to appear and show cause for failure to complete and submit the questionnaire. A prospective juror who fails to appear pursuant to the court's order or to show good cause for the failure to appear or who fails to show good cause for failure to complete and submit the questionnaire is guilty of a misdemeanor.

Sec. 8. Minnesota Statutes 1988, section 593.40, subdivision 5, is amended to read:

Subd. 5. A person who willfully misrepresents a material fact on a juror qualification ~~form~~ *questionnaire* for the purpose of avoiding or securing service as a juror is guilty of a misdemeanor.

Sec. 9. Minnesota Statutes 1988, section 593.40, is amended by adding a subdivision to read:

Subd. 6. [FAILURE TO APPEAR.] A person summoned for jury service who fails to appear as directed shall be ordered by the court to appear and show cause for failure to comply with the summons. Absent a showing of good cause for noncompliance with the summons, the juror is guilty of a misdemeanor.

Sec. 10. [593.51] [COURT RULES.]

The supreme court shall promulgate rules governing jury administration in accordance with this chapter by July 31, 1990."

Page 2, line 16, delete "*section*" and insert "*sections*" and delete "*, is*" and insert "*; 593.01; 593.08; 593.131; 593.135; 593.16; 593.32; 593.33; 593.34; 593.35; 593.36; 593.37, subdivisions 1, 2, and 3; 593.38; 593.39; 593.40, subdivisions 1, 2, and 3; 593.41; 593.42, subdivisions 1, 2, 3, and 5; 593.43; 593.44; 593.45; 593.46; 593.47; and 593.49 are*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "providing for the adoption of rules by the supreme court governing jury administration; imposing penalties;"

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, after the semicolon, insert "593.19; 593.21; 593.31; 593.37, subdivision 2a; 593.40, subdivisions 4, 5, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 593;"

Page 1, line 6, delete "section" and insert "sections" and before the period, insert "*; 593.01; 593.08; 593.131; 593.135; 593.16; 593.32; 593.33; 593.34; 593.35; 593.36; 593.37, subdivisions 1, 2, and 3; 593.38; 593.39; 593.40, subdivisions 1, 2, and 3; 593.41; 593.42, subdivisions 1, 2, 3, and 5; 593.43; 593.44; 593.45; 593.46; 593.47; and 593.49*"

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2432: A bill for an act relating to crimes; requiring cemetery owners to report unlawful removal of bodies to law enforcement authorities and next of kin of the deceased person; prescribing penalties; amending Minnesota Statutes 1988, section 609.502.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1989 Supplement, section 13.82, subdivision 10, is amended to read:

Subd. 10. [PROTECTION OF IDENTITIES.] A law enforcement agency may withhold public access to data on individuals to protect the identity of individuals in the following circumstances:

(a) When access to the data would reveal the identity of an undercover law enforcement officer;

(b) When access to the data would reveal the identity of a victim of criminal sexual conduct or of a violation of section 617.246, subdivision 2;

(c) When access to the data would reveal the identity of a paid or unpaid informant being used by the agency if the agency reasonably determines that revealing the identity of the informant would threaten the personal safety of the informant; or

(d) When access to the data would reveal the identity of a victim of or witness to a crime if the victim or witness specifically requests not to be identified publicly, and the agency reasonably determines that revealing the identity of the victim or witness would threaten the personal safety or property of the individual; or

(e) When access to the data would reveal the identity of a deceased person whose body was unlawfully removed from a cemetery in which it was interred.

Sec. 2. Minnesota Statutes 1988, section 609.502, is amended to read:

609.502 [INTERFERENCE WITH DEAD BODY OR SCENE OF DEATH, PENALTY; REPORTING.]

Subdivision 1. [CONCEALING EVIDENCE.] Whoever interferes with the body or scene of death with intent to mislead the coroner or conceal evidence is guilty of a gross misdemeanor.

Subd. 2. [FAILURE TO REPORT.] (a) A person in charge of a cemetery who has knowledge that the body of a deceased person interred in the cemetery has been unlawfully removed shall:

(1) immediately report the occurrence to local law enforcement authorities; and

(2) inform the next of kin of the deceased person, if known, within three business days of the discovery of the body's removal unless the person making the report has been instructed by law enforcement authorities that informing the next of kin would compromise an active law enforcement investigation.

(b) A person who violates either clause (1) or clause (2) is guilty of a gross misdemeanor.

Sec. 3. [EFFECTIVE DATE.]

Section 2 is effective August 1, 1990, and applies to crimes committed on or after that date."

Delete the title and insert:

"A bill for an act relating to crimes; requiring cemetery owners to report unlawful removal of bodies to law enforcement authorities and next of kin of the deceased person; prescribing penalties; amending Minnesota Statutes 1988, section 609.502; Minnesota Statutes 1989 Supplement, section 13.82, subdivision 10."

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

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 1653: A bill for an act relating to tax administration; recodifying and providing for the administration of certain taxes; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 270.06; 270.07, subdivision 1, and by adding a subdivision; 270.65; 270.67, subdivision 2; 270.68, subdivisions 1 and 3; 270.69, subdivisions 2, 3, 7, 8, and by adding a subdivision; 270.70, subdivisions 1 and 2; 270.73, subdivision 1; 290.05, subdivision 4; 290.92, subdivisions 6a, 15, 23, and 24; 290A.07, subdivisions 2a and 3; 290A.19; 291.09, subdivision 3a; 296.18, subdivisions 2 and 3; 296.25; 297A.03, subdivision 2; 297A.041; 297A.17; 297A.18; and 297A.211, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 270; proposing coding for new law as Minnesota Statutes, chapter 289A; repealing Minnesota Statutes 1988, sections 270.08; 270.10, subdivision 4; 270.651; 270.77; 271.061; 290.05, subdivision 5; 290.067, subdivision 5; 290.281, subdivision 5; 290.29; 290.37; 290.38; 290.39; 290.391; 290.40; 290.41; 290.42; 290.43; 290.44; 290.45; 290.46; 290.47; 290.49; 290.50, as amended; 290.52; 290.521; 290.522; 290.523; 290.53, subdivisions 1, 1a, 2, 2a, 3, 3a, 4, 5, 7, 8, 9, 10, and 11; 290.54; 290.56; 290.57; 290.58; 290.59; 290.65; 290.92, subdivisions 6, 7, 8, 11, 13, 14, and 15; 290.923, subdivision 7; 290.93; 290.931; 290.932; 290.933; 290.934; 290.935; 290.936; 290.974; 290A.06; 290A.11, subdivisions 1, 1a, 2, 3, and 4; 290A.111; 290A.112; 290A.12; 291.09, subdivisions 1a, 2a, 4a, 6, and 7; 291.11; 291.131; 291.14; 291.15, subdivisions 1 and 3; 291.215, subdivisions 2 and 3; 291.31, subdivisions 1 and 2; 291.32; 296.027; 296.16, subdivision 3; 296.17, subdivision 13; 296.18, subdivisions 3a and 7; 296.24; 297A.08; 297A.121; 297A.15, subdivision 3; 297A.20; 297A.26; 297A.27; 297A.275; 297A.29; 297A.30; 297A.31; 297A.32; 297A.33, subdivisions 1, 3, 4, and 5; 297A.34; 297A.35; 297A.39, subdivisions 1, 2, 2a, 3, 4, 5, 7, and 8; 297A.40; 297A.41; 297A.42; and 297A.44, subdivision 2.

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

Page 103, lines 29, 31, 33, and 34, delete "1989" and insert "1990"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Mr. Knaak questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and

Administration.

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

S.F. No. 1626: A bill for an act relating to game and fish; providing a criminal penalty for trespass sign removal; prohibiting possession of firearms while intoxicated; requiring covering of transported animals; regulating discharge of firearms across highways; altering deer stand restrictions; amending Minnesota Statutes 1988, sections 97A.315, subdivision 1; 97A.421, subdivision 4; 97A.535, subdivision 1; 97B.055, subdivision 1; 97B.065; and 97B.325.

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

Pages 1 and 2, delete sections 2 and 3

Page 2, line 20, before "A" insert "(a)"

Page 2, lines 21 to 32, reinstate the stricken language and delete the new language

Page 2, after line 32, insert:

"(b) A person may not discharge a firearm or an arrow from a bow on, over, across, or within the right-of-way of an improved public highway at a decoy of a big game animal that has been set out by a licensed peace officer."

Pages 2 and 3, delete section 5

ReNUMBER the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "prohibiting"

Page 1, delete line 4

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

Page 1, line 8, delete everything after "1;"

Page 1, line 9, delete "4; 97A.535, subdivision 1;"

Page 1, line 10, delete "97B.065;"

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

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

H.F. No. 1555 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1555	1238				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1555 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1555 and insert the language after the enacting clause of S.F. No. 1238, the second engrossment; further, delete the title of H.F. No. 1555 and insert the title of S.F. No. 1238, the second engrossment.

And when so amended H.F. No. 1555 will be identical to S.F. No. 1238, and further recommends that H.F. No. 1555 be given its second reading and substituted for S.F. No. 1238, and that the Senate File be indefinitely postponed.

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1898: A bill for an act relating to education; providing for department of education initiatives; amending Minnesota Statutes 1988, sections 122.94, subdivision 5; 123.3514, subdivisions 6 and 6b; 123.9361; 123.947; and 125.231, subdivision 6; Minnesota Statutes 1989 Supplement, sections 121.912, subdivision 1b; 122.94, subdivision 6; 122.945, subdivision 2; 123.58, subdivision 4; 129.128; and 141.35; and Laws 1989, chapter 329, article 11, section 15, subdivisions 2 and 12.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 121.111, subdivision 1, is amended to read:

121.111 [OFFICE OF EDUCATIONAL LEADERSHIP]

Subdivision 1. [ESTABLISHMENT.] *The commissioner shall maintain an office of educational leadership is established within the department of education. The purpose of the office is to assist school districts, education districts, and other education organizations in developing education policies that maximize the learning of all pupils.*

Sec. 2. Minnesota Statutes 1989 Supplement, section 121.111, subdivision 2, is amended to read:

Subd. 2. [OFFICE STRUCTURE MANAGEMENT.] ~~The assistant commissioner of instructional effectiveness, in consultation with the assistant commissioner of development and partnership effectiveness, shall administer the office of educational leadership.~~ A director in the unclassified service appointed by the assistant commissioner of instructional effectiveness shall manage the office.

Sec. 3. Minnesota Statutes Second 1989 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 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 31.0 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) 31.0 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, subdivision 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, amounts levied for education district bonds under section 122.96, subdivision 5, 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. 4. Minnesota Statutes 1989 Supplement, section 121.912, subdivision 1b, is amended to read:

Subd. 1b. [TRA AND FICA TRANSFER.] (a) Notwithstanding subdivision 1, a district shall transfer money from the general fund to the community ~~education~~ service fund for the employer contributions for teacher retirement and FICA obligations attributable to community education programs for employees who are members of a teacher retirement association and who are paid from the community service fund.

(b) A district shall not transfer money under paragraph (a) for employees who are paid with money other than normal operating funds, as defined in section 354.05, subdivision 27.

Sec. 5. Minnesota Statutes 1989 Supplement, section 122.241, subdivision 2, is amended to read:

Subd. 2. [COOPERATION REQUIREMENTS.] Cooperating districts shall:

(1) ~~have implement~~ a written agreement according to section 122.541 *no later than the first year of cooperation; and*

(2) all be members of one education district, if any one of the districts is a member; ~~and~~

~~(3) all be members of one ECSU, if any one of the districts is a member no later than the end of the second year of cooperation.~~

Sec. 6. Minnesota Statutes 1989 Supplement, section 122.241, subdivision 3, is amended to read:

Subd. 3. [COMBINATION REQUIREMENTS.] Combining districts must be contiguous and meet one of the following requirements at the time of combination:

(1) at least two districts with at least 400 resident pupils enrolled in grades 7 through 12 in the combined district and projections, approved by the department of education, of enrollment at least at that level for five years;

(2) at least two districts, both of which qualify for sparsity revenue under section 124A.22, subdivision 6, and have an average isolation index over 23; or

(3) at least three districts with fewer than 400 resident pupils enrolled in grades 7 through 12 in the combined district *and the combination is approved by the state board of education.*

~~A combination under clause (3) must be approved by the state board of education.~~

The state board may approve a combination under clause (1) of two districts with projected enrollments of fewer than 400 resident pupils enrolled in grades seven through 12 in the combined district if the state board determines that the combination would be in the best interests of the pupils of the two districts and that no other contiguous district is willing to enter into an agreement under this section with those two districts.

The state board shall disapprove a combination under clause (3) if the combination is educationally unsound or would not reasonably enable the districts to fulfill statutory and rule requirements.

Sec. 7. Minnesota Statutes 1989 Supplement, section 122.242, subdivision 10, is amended to read:

Subd. 10. [BUILDING SITES.] The plan must provide for:

(1) locations for elementary schools which need not be altered and may contain assurances that, to the extent feasible, elementary schools will be retained for at least the number of years specified in the plan; and

(2) one location, if possible, for a secondary school.

Notwithstanding sections 122.241, subdivision 2, and 122.541, subdivision 1, the state board may approve a plan for more than one location for a secondary school, according to criteria established by the board.

Sec. 8. Minnesota Statutes 1989 Supplement, section 122.243, subdivision 2, is amended to read:

Subd. 2. [VOTER APPROVAL.] During the *first or second* year of cooperation, a referendum on the question of combination shall be conducted. 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 same question may not be submitted. A different question may be submitted on any date before October 1. Referendums shall be conducted on the same date in all districts.

Sec. 9. Minnesota Statutes 1988, section 122.94, subdivision 5, is amended to read:

Subd. 5. [ATTENDANCE IN OTHER DISTRICTS.] (a) The agreement may provide for a pupil who is a resident of a member district to enroll in programs or courses offered by another member district or transfer to another member district. A pupil and parent shall consult with a career teacher, counselor, or principal before transferring to another district. The agreement shall specify procedures for reimbursement among the member districts. The district of residence shall count all resident pupils who enroll in programs or courses or transfer to another district as its pupils for the purpose of state aid and levy limitations. The agreement shall determine whether transportation is available for pupils enrolled in programs or courses or transferring to another district.

(b) *A pupil may also transfer according to section 120.062.*

Sec. 10. Minnesota Statutes 1989 Supplement, section 122.94, subdivision 6, is amended to read:

Subd. 6. [COMMON ACADEMIC CALENDAR.] For ~~1990-1991~~ 1991-1992 and later school years, the agreement must require a common academic calendar for all member districts of an education district. For purposes of this subdivision, a common academic calendar must include at least the following:

- (1) the number of days of instruction;
- (2) the first and last days of instruction in a school year; and
- (3) the specific days reserved for staff development.

Before the 1990-1991 school year, each education district must report to the state board of education on ways that other components of the academic calendar in each member district will affect the implementation of the five-year plan described in section 122.945. Other components include the length of the school day, the time the school day begins and ends, and the number of periods in the day.

Sec. 11. Minnesota Statutes 1989 Supplement, section 122.945, subdivision 2, is amended to read:

Subd. 2. [SUBMISSION AND APPROVAL OF FIVE-YEAR PLAN.] Each education district must submit a five-year plan developed according to subdivision 1 to the state board of education. An education district established before ~~January~~ November 1, ~~1990~~ 1989, must submit a plan to

the state board by April 1, 1990. An education district established after ~~December 31~~ *October 31*, 1989, must submit a plan to the state board by ~~April~~ *June* 1 of the first year that the education district will certify the amount of education district revenue to be raised under section 124.2721. The board must approve or disapprove the plan within 60 days of receiving it from the education district.

Sec. 12. Minnesota Statutes 1988, section 123.34, subdivision 10, is amended to read:

Subd. 10. Each *public* school building or unit of classification, as ~~designated~~ *defined* by section 120.05, subdivision 2, clauses (1), (2) and (3), in an independent school district shall be under the supervision of a principal who is assigned to that responsibility by the board of education in that school district upon the recommendation of the superintendent of schools of that school district.

Each principal assigned the responsibility for the supervision of a school building or units of classification shall hold valid certification in the assigned position of supervision and administration as established by the rules of the state board of education.

The principal shall provide administrative, supervisory and instructional leadership services, under the supervision of the superintendent of schools of the school district and in accordance with the policies, rules and regulations of the board of education, for the planning, management, operation and evaluation of the education program of the building or buildings to which the principal is assigned.

Sec. 13. Minnesota Statutes 1988, section 123.3514, subdivision 6, 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.

The amount paid for each pupil shall be subtracted from the general education aid paid to the pupil's ~~resident~~ *of attendance* district. If the amount to be subtracted is greater than the amount of general education aid due the district, the excess reduction shall be made from other state aids due to the district. 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.

Sec. 14. Minnesota Statutes 1988, section 123.3514, subdivision 6b, 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.

The amount of tuition reimbursement paid for each pupil shall be subtracted from the adult high school graduation aid paid to the pupil's ~~resident~~ district of attendance. 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.

Sec. 15. Minnesota Statutes 1988, section 123.39, subdivision 6, is amended to read:

Subd. 6. The board may transport pupils residing outside of the district but attending school therein if these pupils present themselves within the *resident or nonresident* district on one of the regular routes traveled in the transportation of the pupils of the district.

Sec. 16. Minnesota Statutes 1989 Supplement, section 123.58, subdivision 4, is amended to read:

Subd. 4. [MEMBERSHIP AND PARTICIPATION.] Full membership in an ECSU shall be limited to public school districts of the state but nonvoting associate memberships shall be available to nonpublic school administrative units within the ECSU. Participation in programs and services provided by the ECSU shall be discretionary. No school district shall be compelled to participate in these services under authority of this section. However, all school districts whose central administrative offices are within that ECSU whose boundaries coincide with those of development region 11 shall participate in the planning and planning research functions of that ECSU. ~~All of the members of an education district shall belong to the same ECSU, if any members belong to an ECSU.~~ No planning or planning research decision of that ECSU shall be binding on these region 11 districts. Nonpublic school students and personnel are encouraged to participate in programs and services to the extent allowed by law.

Sec. 17. Minnesota Statutes 1988, section 123.9361, is amended to read:

123.9361 [ADMINISTRATIVE COSTS.]

Each year, a school district or intermediary service area may claim and receive from the department of education an additional sum for the ~~actual cost of administration of sections 123.933 and 123.935, which shall not exceed an amount~~ equal to five percent of the district's or area's allocation for that year pursuant to those sections.

Sec. 18. Minnesota Statutes 1988, section 123.947, is amended to read:

123.947 [RESTRICTIONS TO PREVENT IMPROPER USE OF INDIVIDUALIZED INSTRUCTIONAL MATERIALS.]

(a) The department of education shall assure that *textbooks and individualized instructional materials* loaned to nonpublic school pupils are secular, neutral, nonideological and that they are incapable of diversion for religious use.

(b) *Textbooks and individualized instructional materials* shall not be used in religious courses, devotional exercises, religious training or any other religious activity.

(c) *Textbooks and individualized instructional materials* shall be loaned only to individual pupils upon the request of a parent or guardian or the pupil on a form designated for this use by the department of education. The request forms shall provide for verification by the parent or guardian or pupil that the requested *textbooks and individualized instructional materials* are for the use of the individual pupil in connection with a program of instruction in the pupil's elementary or secondary school.

(d) ~~The department of education or the servicing school district or the intermediary service area~~ shall take adequate measures to ensure an accurate and periodic inventory of all *textbooks and individualized instructional materials* loaned to elementary and secondary school pupils attending nonpublic schools. The state board of education shall promulgate rules under the provisions of chapter 14 to terminate the eligibility of any nonpublic school pupil if ~~the department or the servicing school district or intermediary service area of education~~ determines, after notice and opportunity for hearing, that the *textbooks or individualized instructional materials* have been used in a manner contrary to the provisions of section 123.932, subdivision 1e, 123.933 or this section or any rules promulgated by the state board of education.

(e) Nothing contained in section 123.932, subdivision 1e, 123.933 or this section shall be construed to authorize the making of any payments to a nonpublic school or its faculty, staff or administrators for religious worship or instruction or for any other purpose.

Sec. 19. Minnesota Statutes 1988, section 124.17, subdivision 1b, is amended to read:

Subd. 1b. [AFDC PUPIL UNITS.] In a district in which the number of pupils from families receiving aid to families with dependent children on October 1 of the previous school year equals six percent or more of the actual pupil units in the district for the ~~same~~ *current school year*, as computed in subdivision 1, each such pupil shall be counted as an additional one-tenth of a pupil unit for each percent of concentration over five percent of such pupils in the district. The percent of concentration shall be rounded down to the nearest whole percent. In a district in which the percent of concentration is less than six, additional pupil units may not be counted

for such pupils. A pupil may not be counted as more than .6 additional pupil unit under this subdivision. The weighting in this subdivision is in addition to the weighting provided in subdivision 1.

Sec. 20. Minnesota Statutes 1989 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 129B.56.

(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.

~~For a course having an independent study component, the pupil must complete coursework and receive credit for each course for which the aid is claimed.~~

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 ~~prorated for a pupil receiving fewer than six credits in a year~~ *paid for each hour of teacher contact time and each hour of independent study time completed toward a credit necessary for graduation.*

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.

A credit for a year in an approved alternative program shall, for the purposes of audit, be considered to be 170 hours of teacher contact time and independent study time.

Sec. 21. Minnesota Statutes 1989 Supplement, section 124.225, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the terms defined in this subdivision have the meanings given to them.

(a) "FTE" means a transported full-time equivalent pupil whose transportation is authorized for aid purposes by section 124.223.

(b) "Authorized cost for regular transportation" means the sum of:

(1) all expenditures for transportation in the regular category, as defined in paragraph (e), clause (1), for which aid is authorized in section 124.223, plus

(2) an amount equal to one year's depreciation on the district's school bus fleet and mobile units computed on a straight line basis at the rate of 12-1/2 percent per year of the cost of the fleet, plus

(3) an amount equal to one year's depreciation on district school buses reconditioned by the department of corrections computed on a straight line basis at the rate of 33-1/3 percent per year of the cost to the district of the reconditioning, plus

(4) an amount equal to one year's depreciation on the district's type three school buses, as defined in section 169.44, subdivision 15, which were purchased after July 1, 1982, for authorized transportation of pupils, with the prior approval of the commissioner, computed on a straight line basis at the rate of 20 percent per year of the cost of the type three school buses.

(c) "Adjusted authorized predicted cost per FTE" means the authorized cost predicted by a multiple regression formula determined by the department of education and adjusted pursuant to subdivision 7a.

(d) "Regular transportation allowance" for the 1989-1990 school year means the adjusted authorized predicted cost per FTE, inflated pursuant to subdivision 7b.

(e) For purposes of this section, "transportation category" means a category of transportation service provided to pupils:

(1) regular transportation is transportation services provided during the regular school year under section 124.223, clauses (1) and (2), excluding the following transportation services provided under section 124.223, clause (1): transportation between schools; noon transportation to and from school for kindergarten pupils attending half-day sessions; late transportation home from school for pupils involved in after school activities; transportation of pupils to and from schools located outside their normal attendance areas under the provisions of a plan for desegregation mandated by the state board of education or under court order; and transportation of elementary pupils to and from school within a mobility zone;

(2) nonregular transportation is transportation services provided under section 124.223, clause (1), that are excluded from the regular category, and transportation services provided under section 124.223, clauses (3), (4), (5), (6), (7), (8), (9), and (10);

(3) excess transportation is transportation to and from school for secondary pupils residing at least one mile but less than two miles from the public school they could attend or from the nonpublic school actually attended, and transportation to and from school for pupils residing less than one mile from school who are transported because of extraordinary traffic, *drug, or crime* hazards; and

(4) desegregation transportation is transportation of pupils to and from schools located outside their normal attendance areas under a plan for desegregation mandated by the state board or under court order.

(f) "Mobile unit" means a vehicle or trailer designed to provide facilities for educational programs and services, including diagnostic testing, guidance and counseling services, and health services. A mobile unit located off nonpublic school premises is a neutral site as defined in section 123.932, subdivision 9.

(g) "Current year" means the school year for which aid will be paid.

(h) "Base year" means the second school year preceding the school year for which aid will be paid.

(i) "Base cost" for the 1986-1987 and 1987-1988 base years means the ratio of:

(1) the sum of:

(i) the authorized cost in the base year for regular transportation as defined in clause (b), plus

(ii) the actual cost in the base year for excess transportation as defined in paragraph (e), clause (3),

(2) to the sum of:

(i) the number of FTE pupils transported in the regular category in the base year, plus

(ii) the number of FTE pupils transported in the excess category in the base year.

(j) Base cost for the 1988-1989 base year and later years means the ratio of:

(1) the sum of the authorized cost in the base year for regular transportation as defined in clause (b) plus the actual cost in the base year for excess transportation as defined in clause (e);

(2) to the sum of the number of weighted FTE pupils transported in the regular and excess categories in the base year.

(k) "Predicted base cost" for the 1986-1987 and 1987-1988 base years means the base cost as predicted by subdivision 3.

(l) "Predicted base cost" for the 1988-1989 base year and later years means the predicted base cost as computed in subdivision 3a.

(m) "Pupil weighting factor" for the excess transportation category for a school district means the lesser of one, or the result of the following computation:

(1) divide the square mile area of the school district by the number of FTE pupils transported in the regular and excess categories in the base year;

(2) raise the result in clause (1) to the one-fifth power;

(3) divide four-tenths by the result in clause (2).

The pupil weighting factor for the regular transportation category is one.

(n) "Weighted FTE's" means the number of FTE's in each transportation category multiplied by the pupil weighting factor for that category.

(o) "Sparsity index" for a school district means the greater of .005 or the ratio of the square mile area of the school district to the sum of the

number of weighted FTE's transported by the district in the regular and excess categories in the base year.

(p) "Density index" for a school district means the greater of one or the result obtained by subtracting the product of the district's sparsity index times 20 from two.

(q) "Contract transportation index" for a school district means the greater of one or the result of the following computation:

(1) multiply the district's sparsity index by 20;

(2) select the ~~greater~~ lesser of one or the result in clause (1);

(3) multiply the district's percentage of regular FTE's transported using vehicles that are not owned by the school district by the result in clause (2).

(r) "Adjusted predicted base cost" for the 1988-1989 base year and after means the predicted base cost as computed in subdivision 3a as adjusted under subdivision 7a.

(s) "Regular transportation allowance" for the 1990-1991 school year and after means the adjusted predicted base cost, inflated and adjusted under subdivision 7b.

(t) "Minimum regular transportation allowance" for the 1990-1991 school year and after means the result of the following computation:

(1) compute the sum of the district's basic transportation aid for the 1989-1990 school year according to subdivision ~~8a~~ 8b and the district's excess transportation levy for the 1989-1990 school year according to section 275.125, subdivision 5e, clause (a);

(2) divide the result in clause (1) by the sum of the number of weighted FTE's transported by the district in the regular and excess transportation categories in the 1989-1990 school year;

(3) select the lesser of the result in clause (2) or the district's base cost for the 1989-1990 base year according to paragraph (j).

Sec. 22. Minnesota Statutes 1989 Supplement, section 124.225, subdivision 8k, is amended to read:

Subd. 8k. [CONTRACTED SERVICES AID REDUCTION.] (a) Each year, a district's transportation aid shall be reduced according to the provisions of this subdivision, if the district contracted for some or all of the transportation services provided in the regular category.

(b) For the 1988-1989 and 1989-1990 school years, the department of education shall compute this subtraction by conducting the multiple regression analysis specified in subdivision 3 and computing the district's aid under two circumstances, once including the coefficient of the factor specified in subdivision 4b, clause (3), and once excluding the coefficient of that factor. The aid subtraction shall equal the difference between the district's aid computed under these two circumstances.

(c) For 1990-1991 and later school years, the department of education shall determine the subtraction by computing the district's regular transportation revenue, *excluding revenue based on the minimum regular transportation allowance*, under two circumstances, once including the factor specified in subdivision 3a, clause (c), and once excluding the factor. The

aid subtraction equals the difference between the district's revenue computed under the two circumstances.

Sec. 23. Minnesota Statutes 1989 Supplement, 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 the unreserved balance in the capital expenditure facilities account on June 30 of the ~~second~~ 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 ~~second~~ prior school year is zero.

Sec. 24. Minnesota Statutes 1988, section 124.261, is amended to read:

124.261 [ADULT HIGH SCHOOL GRADUATION AID.]

Adult high school graduation aid for eligible pupils age 21 or over, equals ~~an allowance of~~ 65 percent of the general education formula allowance ~~times 1.35~~ times the average daily membership under section 124.17, subdivision 2e. Adult high school graduation aid must be paid in addition to any other aid to the district. ~~Average daily membership of eligible Pupils must age 21 or over may not be used in the computation of pupil units under section 124.17, subdivision 1, counted by the district for any purpose other than the computation of adult high school graduation aid.~~

Sec. 25. Minnesota Statutes 1989 Supplement, 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 referendum fails under section 122.243, subdivision 2, ~~revenues shall be determined under this subdivision beginning with the following fiscal year.~~ Cooperation and combination revenue shall equal \$60 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 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 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. 26. Minnesota Statutes 1989 Supplement, section 124.2725, is amended by adding a subdivision to read:

Subd. 16. [COMBINATION AFTER ONE YEAR OF COOPERATION.] *Notwithstanding subdivisions 4 and 5, revenue for districts that combine after one year of cooperation shall be the same as for districts that cooperate for two years. The first three years of combination shall be deemed to be the second year of cooperation and the first and second year of combination.*

Sec. 27. Minnesota Statutes 1989 Supplement, section 124.2725, is amended by adding a subdivision to read:

Subd. 17. [EXCLUSION FROM FUND BALANCE.] Revenue under this section shall be excluded from the net unreserved operating fund balance for the purposes of section 124A.26.

Sec. 28. Minnesota Statutes 1988, section 124.494, is amended by adding a subdivision to read:

Subd. 7. [PROCEDURES FOR FUTURE GRANTS.] Sections 122.241 to 122.248 apply to grants awarded after July 1, 1990. To the extent a provision of this section is inconsistent with sections 122.241 to 122.248, it is without effect.

Sec. 29. Minnesota Statutes Second 1989 Supplement, section 124A.03, subdivision 2, is amended to read:

Subd. 2. [REFERENDUM LEVY.] (a) The levy authorized by section 124A.23, subdivision 2, 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. 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 levy as a percentage of net tax capacity, the amount that will be raised by that tax capacity rate in the first year it is to be levied, and that the tax capacity rate shall be used to finance school operations. The ballot shall designate the specific number of years 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 levy proposed by (petition to) the board of, School District No., be approved?”

If approved, the amount provided by the approved tax capacity rate applied to the net tax capacity 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.

(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 ~~election~~ 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 levy 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 increase 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: “In 1989 the legislature

reduced property taxes for education by increasing the state share of funding for education. However, state aid for cities and townships was reduced by a corresponding amount. As a result, property taxes for cities and townships may increase. 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 levy 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 levy approved by the voters of the district pursuant to paragraph (a) must be made at least once before it is subject to a referendum on its revocation or reduction for subsequent years. Only one revocation or reduction ~~election~~ referendum may be held to revoke or reduce a levy 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 30 15 days after the district holds a referendum pursuant to this clause day of the referendum, the district shall notify the commissioner of education of the results of the referendum.*

Sec. 30. Minnesota Statutes Second 1989 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 ~~second~~ prior school year exceeds \$600 times the actual pupil units in the prior year. 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. 31. Minnesota Statutes 1988, section 125.231, subdivision 6, is amended to read:

Subd. 6. [REPORT TO THE LEGISLATURE.] By January 1, ~~1988~~ 1991, the commissioner of education shall report to the legislature on *how* the teacher mentoring task force recommendations *are being implemented* for a system of incentives at the state and local level to assure that highly capable individuals are attracted to and retained in the teaching profession *and for ways in which the roles of teachers can be expanded to be different and more professional.*

By January 1 of ~~1989 and~~ 1990 and 1991, the commissioner of education shall report to the legislature on the design, development, implementation, and evaluation of the mentorship program.

Sec. 32. Minnesota Statutes 1989 Supplement, section 129.128, is amended to read:

129.128 [~~COMMISSIONER~~ DIRECTOR TO REPORT ON LEAGUE TO LEGISLATURE.]

Subdivision 1. [~~ANNUALLY ANNUAL REPORT.~~] The ~~commissioner of education~~ executive director must report to the legislature before each regular session on the activities of the league.

Subd. 2. [~~URGE NEEDED LAWS RECOMMEND LEGISLATION.~~] The ~~commissioner~~ executive director must recommend to the legislature whether any legislation is made necessary by league activities.

Sec. 33. Minnesota Statutes 1989 Supplement, section 129C.10, is amended by adding a subdivision to read:

Subd. 7. [PURCHASING INSTRUCTIONAL ITEMS.] *Technical educational equipment may be procured for programs of the Minnesota center for arts education by the board either by brand designation or in accordance with standards and specifications the board may adopt, notwithstanding chapter 16B.*

Sec. 34. Minnesota Statutes 1989 Supplement, section 141.35, is amended to read:

141.35 [EXEMPTIONS.]

None of the provisions of sections 141.21 to 141.36 shall apply to the following:

(a) Colleges authorized by the laws of Minnesota or of any other state or foreign country to grant degrees;

(b) Schools of nursing accredited by the state board of nursing or an equivalent public board of another state or foreign country;

(c) Public schools as defined in section 120.05;

(d) Private schools complying with the requirements of section 120.10, subdivision 2;

(e) Private and parochial nonprofit schools exempt from taxation under the constitution of Minnesota;

(f) Courses taught to students in a valid apprenticeship program taught by or required by a trade union;

(g) Schools exclusively engaged in training physically or mentally handicapped persons for the state of Minnesota;

(h) Schools now or hereafter licensed by boards authorized under Minnesota law to issue such licenses;

(i) Schools and educational programs, or training programs, conducted by persons, firms, corporations, or associations, for the training of their own employees, for which no fee is charged the employee;

(j) Schools engaged exclusively in the teaching of purely avocational or recreational, or remedial subjects as determined by the commissioner. Private schools teaching a method or procedure to increase the speed with which a student reads are not within this exemption;

(k) Driver training schools and instructors as defined in section 171.33,

subdivisions 1 and 2;

(l) Classes, courses, or programs conducted by a bona fide trade, professional, or fraternal organization, solely for that organization's membership;

(m) Courses of instruction in the fine arts provided by organizations exempt from taxation pursuant to section 290.05 and registered with the attorney general pursuant to chapter 309. "Fine arts" means activities resulting in artistic creation or artistic performance of works of the imagination which are engaged in for the primary purpose of creative expression rather than commercial sale or employment. In making this determination the commissioner may seek the advice and recommendation of the Minnesota board of the arts;

(n) Classes, courses, or programs intended to fulfill the continuing education requirements for licensure or certification in a profession, which classes, courses, or programs have been approved by a legislatively or judicially established board or agency responsible for regulating the practice of the profession, and which are offered primarily to a person who currently practices the profession;

(o) Classes, courses, or programs intended to prepare students to sit for undergraduate, graduate, postgraduate, or occupational licensing and occupational entrance examinations;

(p) Classes, courses, or programs of a seminar nature providing 16 or fewer hours of instruction that are not part of the curriculum for an occupation or are not intended to prepare a person for entry level employment;

(q) Classes, courses, or programs of a seminar nature providing instruction in personal development, modeling, or acting; and

(r) Training or instructional programs, in which one instructor teaches an individual student, that are not part of the curriculum for an occupation or are not intended to prepare a person for entry level employment.

Sec. 35. Minnesota Statutes 1989 Supplement, section 275.125, subdivision 5e, is amended to read:

Subd. 5e. [EXCESS TRANSPORTATION LEVY.] A school district may make a levy for excess transportation costs according to this subdivision. The amount of the levy shall be the result of the following computation:

(a) Multiply the lesser of (1) the regular transportation allowance for the fiscal year to which the levy is attributable, or (2) the base cost for the fiscal year to which the levy is attributable, by the number of weighted FTE pupils transported in the excess category in the district in the current school year.

(b) Add to the result in paragraph (a) the actual cost in the fiscal year to which the levy is attributable of other related services that are necessary because of extraordinary traffic, *drug, or crime* hazards.

Sec. 36. Minnesota Statutes 1989 Supplement, section 275.125, subdivision 11d, is amended to read:

Subd. 11d. [EXTRA CAPITAL EXPENDITURE LEVY FOR LEASING BUILDINGS.] When a district finds it economically advantageous to rent or lease a building *or site*, or to purchase a building and site under an installment purchase agreement, lease purchase agreement, or any other deferred payment agreement authorized under section 465.71, for any

instructional purposes and it determines that the capital expenditure facilities revenues authorized under section 124.243 are insufficient for this purpose, it may apply to the commissioner for permission to make an additional capital expenditure levy for this purpose. An application for permission to levy under this subdivision must contain financial justification for the proposed levy, the terms and conditions of the proposed lease or agreement, and a description of the space to be leased or purchased according to any type of deferred payment agreement, and its proposed use. The criteria for approval of applications to levy under this subdivision must include: the reasonableness of the price, the appropriateness of the space to the proposed activity, the feasibility of transporting pupils to the building or site, conformity of the lease or agreement to the laws and rules of the state of Minnesota, and the appropriateness of the proposed lease or agreement to the space needs and the financial condition of the district. The commissioner must not authorize a levy under this subdivision in an amount greater than the cost to the district of renting or leasing or purchasing a building or site for approved purposes. The proceeds of this levy must not be used for custodial or other maintenance services or to purchase a building newly constructed under an installment purchase agreement, lease purchase agreement, or any other deferred payment agreement authorized under section 465.71.

Sec. 37. Laws 1989, chapter 329, article 11, section 15, subdivision 2, is amended to read:

Subd. 2. [TEACHER MENTORSHIP] (a) ~~For grants~~ To develop mentoring programs in school districts according to Minnesota Statutes, section 125.231:

\$250,000 1990

\$250,000 1991

Any unexpended balance in the first year does not cancel and is available for the second year.

(b) Of the amounts in paragraph (a), \$110,000 each year is to provide approximately \$10,000 each year for each existing demonstration site to refine its program and disseminate services and materials to schools that are interested in developing a mentoring program. The pilot sites must provide exemplary mentoring processes and assist the department of education in working with new sites that are planning to adopt or adapt specific mentorship programs or components of those programs. The department shall encourage cooperation with career teacher programs.

(c) Of the amounts in paragraph (a), \$90,000 each year is for start-up money of up to \$5,000 each for a minimum of 18 new districts or groups of districts to adopt or adapt an existing mentorship program for five or more probationary teachers. The criteria and process in Minnesota Statutes, section 125.231, subdivisions 3 and 4, must be used. Participants from the adoption grant sites must attend regional and statewide training sessions and visit and collaborate with the exemplary sites.

(d) Of the amounts in paragraph (a), \$50,000 each year is to evaluate the program, to put on regional and statewide events, including conferences, seminars, and for meetings to provide staff development and technical assistance for district teams funded to adopt or adapt components implemented by existing pilot sites. The events must be available to districts interested in developing a mentorship program without applying for an adoption

grant. The department may contract with districts having exemplary sites and others to develop guidelines and materials and provide staff development. Fees may be charged for meals, materials, and the like.

Sec. 38. Laws 1989, chapter 329, article 11, section 15, subdivision 12, is amended to read:

Subd. 12. [ACADEMIC EXCELLENCE FOUNDATION.] For the academic excellence foundation according to Minnesota Statutes, section 121.612:

\$160,000 1990

\$160,000 1991

Up to \$50,000 each year is contingent upon the department's receipt of \$1 from private sources for each \$1 of the appropriation. The commissioner of education must certify receipt of the private matching funds. *The unencumbered balance from the amount actually appropriated from the contingent amount in 1990 does not cancel but is available in 1991. The amount carried forward must not be used to establish a larger annual base appropriation for later fiscal years.*

Sec. 39. Laws 1989, chapter 329, article 12, section 11, is amended to read:

Sec. 11. [MINNESOTA CENTER FOR ARTS EDUCATION.]

Total Appropriations	\$ 5,800,000	\$ 6,200,000
Approved Complement -	1990	1991
General Fund -	39.0	49.0 53.0
Total -	39.0	49.0 53.0

The state complement for the Minnesota center for arts education is increased by 18.0 for the first year and ~~28.0~~ 32.0 the second year.

Any expended balance from the appropriation in this section in 1990 does not cancel but is available in 1991.

Sec. 40. [BADGER SCHOOL DISTRICT BORROWING.]

Subdivision 1. [BORROWING AGAINST TAXES PAYABLE.] Independent school district No. 676, Badger, may borrow money for the purpose of anticipating general taxes previously levied by the district for school purposes, including taxes on which penalties for nonpayment or delinquency have accrued. Minnesota Statutes, sections 124.71 to 124.76, apply to the borrowing except as provided in this subdivision.

Subd. 2. [NO LOCAL APPROVAL.] According to Minnesota Statutes, section 645.023, subdivision 1, clause (a), subdivision 1 is effective the day following final enactment without local approval.

Sec. 41. [SHAKOPEE; 1991 AID CALCULATIONS.]

Subdivision 1. [ADJUSTMENTS.] For purposes of determining state aids for taxes payable in 1991, the fiscal disparity prior year adjustments in the city of Shakopee for taxes payable years 1986, 1987, and 1988 shall not be recognized.

Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day following compliance by the Shakopee city council with Minnesota Statutes, section 645.021, subdivision 2.

Sec. 42. [EFFECTIVE DATE FOR CERTAIN TEACHER EXAMS.]

Notwithstanding any law to the contrary, successful completion of an examination of skills in reading, writing, and mathematics, as required by Minnesota Statutes, section 125.05, subdivision 1, is applicable for all persons applying for initial secondary vocational teaching licenses effective April 8, 1991.

Sec. 43. [1989-1990 ABATEMENT AID.]

If a district qualifies for:

(1) general education aid for fiscal year 1990 only because of Laws 1989, chapter 329, article 1, section 6; or

(2) early childhood family education aid for fiscal year 1990 only because of Laws 1989, chapter 329, article 4, section 11; or

(3) community education aid only because of Laws 1989, chapter 329, article 4, section 12, subdivision 3a;

it does not qualify for abatement aid for fiscal year 1990 under Minnesota Statutes, section 124.214, subdivision 2.

Sec. 44. [CARRYOVER OF LEARNER OUTCOME APPROPRIATION.]

Any unexpended fund balance remaining from the amount designated for fiscal year 1990 for identification and integration of learner outcomes, including the amount designated for fiscal year 1990 for the identification and development of vocational career learner outcomes, does not cancel and is available for fiscal year 1991. The amounts carried forward may not be used to establish a larger annual base appropriation for future fiscal years.

Sec. 45. [DEFICIENCY IN COOPERATION AND COOPERATION AID APPROPRIATION.]

Notwithstanding Minnesota Statutes, section 124.14, subdivision 7, the commissioner of education shall allocate any excess appropriations for fiscal year 1991 to eliminate a deficiency occurring in the appropriation for cooperation and combination aid in Laws 1989, chapter 329, article 6, section 53, subdivision 3. Any excess appropriations remaining after this allocation shall be distributed according to Minnesota Statutes, section 124.14, subdivision 7.

Sec. 46. [EFFECTIVE DATE.]

Sections 20 and 24 are retroactively effective July 1, 1989. Section 37 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to education; making certain changes to the cooperation and combination program, transportation, education districts, the center for arts education, community service fund transfers, nonpublic pupil program, teacher mentorship programs, and private proprietary school regulation; allowing certain appropriations to be carried over; authorizing school districts to levy for certain purposes; authorizing Badger school

district to borrow certain money; requiring adjustments to state aids paid to the Shakopee school district; increasing adult high school graduation aid; making certain corrections and clarifications to certain state aid programs; amending Minnesota Statutes 1988, sections 122.94, subdivision 5; 123.34, subdivision 10; 123.3514, subdivisions 6 and 6b; 123.39, subdivision 6; 123.9361; 123.947; 124.17, subdivision 1b; 124.261; 124.494, by adding a subdivision; 125.231, subdivision 6; Minnesota Statutes 1989 Supplement, sections 121.111, subdivisions 1 and 2; 121.912, subdivision 1b; 122.241, subdivisions 2 and 3; 122.242, subdivision 10; 122.243, subdivision 2; 122.94, subdivision 6; 122.945, subdivision 2; 123.58, subdivision 4; 124.19, subdivision 7; 124.225, subdivisions 1 and 8k; 124.243, subdivision 2; 124.2725, subdivision 13, and by adding subdivisions; 129.128; 129C.10, by adding a subdivision; 141.35; 275.125, subdivisions 5e and 11d; Minnesota Statutes Second 1989 Supplement, sections 121.904, subdivision 4a; 124A.03, subdivision 2; 124A.26, subdivision 1; and Laws 1989, chapter 329, articles 11, section 15, subdivisions 2 and 12; and 12, section 11."

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2177: A bill for an act relating to traffic safety; allowing impoundment of license plates by administrative action for repeat violations of the driving while intoxicated provisions; amending Minnesota Statutes 1988, section 168.041, subdivision 3a, and by adding subdivisions.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

PLATE IMPOUNDMENT BY ADMINISTRATIVE ACTION

Section 1. Minnesota Statutes 1988, section 168.041, subdivision 3, is amended to read:

Subd. 3. Except as otherwise provided in ~~subdivision 3a~~ *section 168.042*, if a person is convicted of an offense that makes mandatory the revocation of the person's driver's license, or is convicted of driving a motor vehicle without having a valid driver's license in force, the court may require the registration plates and registration certificate of any motor vehicle owned by the person or any motor vehicle registered in the person's name to be surrendered to the court.

Sec. 2. Minnesota Statutes 1989 Supplement, section 168.041, subdivision 4, is amended to read:

Subd. 4. If the court issues an impoundment order, the registration plates and certificates must be surrendered to the court either three days after the order is issued or on the date specified by the court, whichever date is later. The court shall forward surrendered registration certificates to the registrar of motor vehicles within seven days after their surrender. The court may destroy the surrendered registration plates. Except as provided in subdivision 1a, ~~4a~~, ~~5~~, 6, or 7, no new registration plates may be issued to the violator or owner until the driver's license of the violator has been

reissued or reinstated. The court shall notify the commissioner of public safety within ten days after issuing an impoundment order.

Sec. 3. Minnesota Statutes 1988, section 168.041, subdivision 8, is amended to read:

Subd. 8. Nothing contained in this section *or section 168.042* is intended to change or modify any provision of this chapter, with respect to the taxation of motor vehicles or the time within which motor vehicle taxes must be paid.

Sec. 4. Minnesota Statutes 1988, section 168.041, subdivision 10, is amended to read:

Subd. 10. "Rental motor vehicle" means a passenger vehicle, truck, motorcycle, or motorized bicycle:

(1) that is ~~involved in a violation under subdivision 3a,~~ leased in the name of the violator, or leased jointly in the name of the violator and the violator's spouse; and

(2) that is one of a fleet of two or more vehicles rented for periods of 30 days or less.

Sec. 5. [168.042] [ADMINISTRATIVE IMPOUNDMENT OF REGISTRATION PLATES FOR ALCOHOL-RELATED DRIVER'S LICENSE REVOCATIONS.]

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 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.

Subd. 2. [VIOLATION AND ISSUANCE OF IMPOUNDMENT ORDER.] The commissioner shall issue a registration plate impoundment order when a person's driver's license or driving privileges are revoked for a third violation within five years or a fourth or subsequent violation within ten years. 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.

Subd. 3. [NOTICE OF IMPOUNDMENT.] An impoundment order is effective when the commissioner or a peace officer acting on behalf of the commissioner notifies the violator or the registered owner of the vehicle of the intent to impound and order of impoundment. The notice must advise the violator of the duties and obligations set forth in subdivision 6 and of the right to obtain administrative and judicial review. The notice to the registered owner who is not the violator must include the procedure to obtain new registration plates under subdivision 8. If mailed, the notice and order of impoundment is deemed received three days after mailing to the last known address of the violator or the registered owner.

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 within five years or the fourth or subsequent violation within ten years. 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.

Subd. 5. [TEMPORARY PERMIT.] If the vehicle is registered to the violator, the officer shall issue a temporary vehicle permit that is valid for seven days when the officer issues the notices under subdivision 4. If the vehicle is registered in the name of another, the officer shall issue a temporary vehicle permit that is valid for 45 days when the notices are issued under subdivision 3. The permit must be in a form determined by the registrar and whenever practicable must be posted on the left side of the inside rear window of the vehicle. A permit is valid only for the vehicle for which it is issued.

Subd. 6. [VEHICLES SUBJECT TO IMPOUNDMENT ORDERS.] Within seven days after issuance of the impoundment notice, a person who receives a notice of impoundment and impoundment order shall surrender all registration plates subject to the impoundment order that were not seized by a peace officer under subdivision 4. Registration plates required to be surrendered under this subdivision must be surrendered to a Minnesota police department, sheriff, or the state patrol, along with a copy of the impoundment order. A law enforcement agency receiving registration plates under this subdivision shall destroy the plates and notify the commissioner that they have been destroyed. The notification to the commissioner shall also include a copy of the impoundment order.

Subd. 7. [VEHICLE NOT OWNED BY THE VIOLATOR.] A violator may file a sworn statement with the commissioner within seven days of the issuance of an impoundment order stating any material information relating to the impoundment order, including that the vehicle has been sold or destroyed and supplying the date, name, location, and address of the person or entity that purchased or destroyed the vehicle. The commissioner shall rescind the impoundment order if the violator shows that the impoundment order was not properly issued.

Subd. 8. [REISSUANCE OF REGISTRATION PLATES.] (a) The commissioner shall rescind the impoundment order if a person subject to an impoundment order under this section, other than the violator, files with the commissioner an acceptable sworn statement that the person:

(1) is the registered owner of the vehicle from which the plates have been impounded under this section;

(2) is the current owner and possessor of the vehicle used in the violation;

(3) was not a passenger in the vehicle at the time of the violation; and

(4) knows that the violator may not drive, operate, or be in physical control of a vehicle without a valid driver's license.

(b) If the order is rescinded, the owner shall receive new registration plates at no cost, if the plates were seized and destroyed.

Subd. 9. [ADMINISTRATIVE REVIEW.] At any time during the effective period of an impoundment order, a person may request in writing a review of the impoundment order by the commissioner. On receiving a request, the commissioner or the commissioner's designee shall review the order, the evidence upon which the order was based, and any other material information brought to the attention of the commissioner, and determine whether sufficient cause exists to sustain the order. The commissioner shall report in writing the results of the review within 15 days of receiving the request. The review provided in this subdivision is not subject to the contested case provisions of the administrative procedure act in sections 14.01 to 14.70. As a result of this review, the commissioner may authorize the issuance at no cost of new registration plates to the registered owner of the vehicle if the registered owner's license or driving privileges were not revoked under section 169.123 or as a result of an impaired driving conviction as defined in section 169.121, subdivision 3.

Review under this subdivision shall take place, if possible, at the same time as any administrative review of the person's license revocation under section 169.123, subdivision 5b.

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, date of the violation, and a copy of the notice and order of impoundment. 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 5c, 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.

Subd. 11. [RESCISSION OF REVOCATION AND 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.

Subd. 12. [SALE OF VEHICLE SUBJECT TO IMPOUNDMENT ORDER.] A registered owner may not sell a motor vehicle during the time its registration plates have been ordered impounded or during the time its registration plates bear a special series number, unless:

(1) the sale is for a valid consideration;

(2) the transferee does not reside in the same household as the registered owner; and

(3) all elements of section 168A.10 are satisfied.

The registrar may then transfer the title to the new owner upon proper application and issue new registration plates.

Subd. 13. [MISDEMEANOR OFFENSES.] A person is guilty of a misdemeanor who:

(1) fails to comply with an impoundment order under this section;

(2) files a false statement under subdivision 5 or 6;

(3) operates a motor vehicle on a street or highway when the vehicle is subject to an impoundment order issued under this section; or

(4) fails to notify the commissioner of the impoundment order when requesting new plates.

Sec. 6. [REPEALER.]

Minnesota Statutes 1988, section 168.041, subdivision 3a; and Minnesota Statutes 1989 Supplement, section 168.041, subdivision 4a, are repealed.

Sec. 7. [EFFECTIVE DATE.]

Sections 1 to 6 are effective January 1, 1991.

ARTICLE 2

CHEMICAL USE ASSESSMENTS

Section 1. Minnesota Statutes 1989 Supplement, 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, 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 subdivision 1, section 169.129, or an ordinance in conformity with either 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. 2. Minnesota Statutes 1988, section 169.124, subdivision 1, is amended to read:

Subdivision 1. [COUNTY BOARD.] The county board of every county shall establish an alcohol safety program designed to provide alcohol ~~problem screening and chemical use assessment~~ *assessments* of persons convicted of an offense enumerated in section 169.126, subdivision 1.

Sec. 3. Minnesota Statutes 1988, section 169.126, subdivision 1, is amended to read:

Subdivision 1. [~~SCREENING REQUIREMENT WHEN CHEMICAL USE ASSESSMENT IS REQUIRED.~~] *An alcohol problem screening A chemical use assessment shall be conducted and a screening an assessment report submitted to the court 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. 4. Minnesota Statutes 1988, section 169.126, subdivision 2, is amended to read:

Subd. 2. [REPORT.] *(a) The screening assessment report 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 screening report shall include a recommendation as to a treatment or rehabilitation program for the defendant. The screening 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. 5. Minnesota Statutes 1989 Supplement, section 169.126, subdivision 4, is amended to read:

Subd. 4. [CHEMICAL USE ASSESSMENT.] *(a) Except as otherwise provided in paragraph (d), when an alcohol problem screening shows that the defendant has an identifiable chemical use problem, the court shall require the defendant to undergo a comprehensive A chemical use assessment required by this section must be conducted by an assessor qualified under appointed by the court. The assessor must meet the training and qualification requirements of rules adopted by the commissioner of human services under section 254A.03, subdivision 3. Notwithstanding section 13.82, the assessor shall have access to any police reports, laboratory test results, and other law enforcement data relating to the current offense or previous offenses that are necessary to complete the evaluation. An assessor providing a chemical use an assessment for the court under this section*

may not have any direct or shared financial interest or referral relationship resulting in shared financial gain with a treatment provider. If an independent assessor is not available, the court may use the services of an assessor authorized to perform assessments for the county social services agency under a variance granted under rules adopted by the commissioner of human services under section 254A.03, subdivision 3. An appointment for the defendant to undergo the ~~chemical use~~ assessment shall be made by the court, a court services probation officer, or the court administrator as soon as possible but in no case more than one week after the defendant's court appearance. The ~~comprehensive chemical use~~ assessment must be completed no later than three weeks after the defendant's court appearance. If the assessment is not performed within this time limit, the county where the defendant is to be sentenced shall perform the assessment. The county of financial responsibility shall be determined under chapter 256G.

(b) ~~The chemical use assessment report must include a recommended level of care for the defendant in accordance with the criteria contained in rules adopted by the commissioner of human services under section 254A.03, subdivision 3.~~

(c) ~~The state shall reimburse the county for the entire cost of each chemical use assessment and report at a rate established by the department of human services up to a maximum of \$100 in each case. The county may not be reimbursed for the cost of any chemical use assessment or report not completed within the time limit provided in this subdivision. Reimbursement to the county must be made from the general fund.~~

(d) ~~If the preliminary alcohol problem screening is conducted by an assessor qualified under rules adopted by the commissioner of human services under section 254A.03, subdivision 3, consists of a comprehensive chemical use assessment of the defendant, and complies with the chemical use assessment report requirements of paragraph (b), it is a chemical use assessment for the purposes of this section and the court may not require the defendant to undergo a second chemical use assessment under paragraph (a). The state shall reimburse counties for the cost of alcohol problem screenings that qualify as chemical use assessments under this paragraph in the manner provided in paragraph (e) in lieu of the reimbursement provisions of section 169.124, subdivision 3.~~

Sec. 6. Minnesota Statutes 1988, section 169.126, is amended by adding a subdivision to read:

Subd. 4c. [REIMBURSEMENT.] The commissioner of public safety shall reimburse the county for the cost of each assessment and report at a rate established by the commissioner. 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.

Sec. 7. Minnesota Statutes 1988, section 169.126, subdivision 6, is amended to read:

Subd. 6. [APPLICABILITY.] This section shall not apply to persons a person who ~~are~~ is not residents a resident of the state of Minnesota at the time of the offense and at the time of the ~~alcohol problem screening~~ assessment.

Sec. 8. Minnesota Statutes 1989 Supplement, section 260.193, subdivision 8, is amended to read:

Subd. 8. If the juvenile court finds that the child is a juvenile major highway or water traffic offender, it may make any one or more of the following dispositions of the case:

(a) Reprimand the child and counsel with the child and the parents;

(b) Continue the case for a reasonable period under such conditions governing the child's use and operation of any motor vehicles or boat as the court may set;

(c) Require the child to attend a driver improvement school if one is available within the county;

(d) Recommend to the department of public safety suspension of the child's driver's license as provided in section 171.16;

(e) If the child is found to have committed two moving highway traffic violations or to have contributed to a highway accident involving death, injury, or physical damage in excess of \$100, the court may recommend to the commissioner of public safety or to the licensing authority of another state the cancellation of the child's license until the child reaches the age of 18 years, and the commissioner of public safety is hereby authorized to cancel the license without hearing. At any time before the termination of the period of cancellation, the court may, for good cause, recommend to the commissioner of public safety, or to the licensing authority of another state, that the child's license be returned, and the commissioner of public safety is authorized to return the license;

(f) Place the child under the supervision of a probation officer in the child's own home under conditions prescribed by the court including reasonable rules relating to operation and use of motor vehicles or boats directed to the correction of the child's driving habits;

(g) Require the child to pay a fine of up to \$700. The court shall order payment of the fine in accordance with a time payment schedule which shall not impose an undue financial hardship on the child;

(h) If the court finds that the child committed an offense described in section 169.121, the court shall order that an ~~alcohol problem screening~~ *a chemical use assessment* be conducted and a ~~screening~~ report submitted to the court in the manner prescribed in section 169.126. ~~Except as otherwise provided in section 169.126, subdivision 4, paragraph (d),~~ If the ~~alcohol problem screening shows assessment concludes~~ that the child has ~~an identifiable chemical use problem,~~ the court shall require the child to undergo a comprehensive chemical use assessment in accordance with section 169.126, subdivision 4. ~~If the chemical use assessment recommends meets the level of care criteria for placement under rules adopted under section 254A.03, subdivision 3, the report must recommend a level of care for the child,~~ The court may require that level of care in its disposition order. In addition, the court may require any child ordered to undergo a ~~chemical use~~ an assessment to pay a chemical dependency assessment charge of \$75. The court shall forward the assessment charge to the commissioner of finance to be credited to the general fund. The state shall reimburse counties for the total cost of the ~~chemical use~~ assessment in the manner provided in section 169.126, subdivision 4 *4c*.

Sec. 9. [REPEALER.]

Minnesota Statutes 1988, sections 169.124, subdivisions 2 and 3; and 169.126, subdivisions 2, 3, and 4b; and Minnesota Statutes 1989 Supplement, section 169.126, subdivision 4a, are repealed.

ARTICLE 3

EXPANDED DWI SANCTIONS FOR REPEAT OFFENDERS

Section 1. Minnesota Statutes 1989 Supplement, 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. 2. Minnesota Statutes 1988, section 169.129, is amended to read:
169.129 [AGGRAVATED VIOLATIONS; PENALTY.]

Any person *is guilty of a gross misdemeanor* who drives, operates, or is 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 or, revocation ~~(1) because the person drove, operated, or was in physical control of a motor vehicle while under the influence of alcohol or a controlled substance or while the person had an alcohol concentration of 0.10 or more or (2) because the person refused to take a test which determines the presence of alcohol or a controlled substance when requested to do so by a proper authority; is guilty of a gross misdemeanor, 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 (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).~~ Jurisdiction over prosecutions under this section is in the county court.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective August 1, 1990, and apply to violations occurring on or after that date.

ARTICLE 4

CRIMINAL VEHICULAR HOMICIDE

Section 1. Minnesota Statutes 1989 Supplement, section 609.21, is amended to read:

609.21 [CRIMINAL VEHICULAR ~~OPERATION~~ HOMICIDE AND INJURY.]

Subdivision 1. [~~RESULTING IN DEATH~~ CRIMINAL VEHICULAR HOMICIDE.] Whoever causes the death of a human being not constituting murder or manslaughter as a result of operating a motor vehicle ~~as defined~~

in section 169.01, subdivision 2, or an aircraft or watercraft,

(1) in a grossly negligent manner;

(2) in a negligent manner while under the influence of alcohol, a controlled substance, or any combination of those elements; or

(3) in a negligent manner while having an alcohol concentration of 0.10 or more; or

(4) while having an alcohol concentration of 0.10 or more, as measured within two hours of the time of driving,

is guilty of criminal vehicular ~~operation~~ homicide resulting in death and may be sentenced to imprisonment for not more than ten years or to payment of a fine of not more than \$20,000, or both.

Subd. 2. [RESULTING IN ~~INJURY~~ GREAT BODILY HARM.] Whoever causes great bodily harm to another, as defined in section 609.02, subdivision 8, not constituting attempted murder or assault, as a result of operating a motor vehicle defined in section 169.01, subdivision 2, or an aircraft or watercraft,

(1) in a grossly negligent manner;

(2) in a negligent manner while under the influence of alcohol, a controlled substance, or any combination of those elements; or

(3) in a negligent manner while having an alcohol concentration of 0.10 or more; or

(4) while having an alcohol concentration of 0.10 or more, as measured within two hours of the time of driving,

is guilty of criminal vehicular operation resulting in ~~injury~~ great bodily harm 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.

Subd. 2a. [RESULTING IN SUBSTANTIAL BODILY HARM.] Whoever causes substantial bodily harm to another, as a result of operating a motor vehicle,

(1) in a grossly negligent manner;

(2) in a negligent manner while under the influence of alcohol, a controlled substance, or any combination of those elements;

(3) while having an alcohol concentration of 0.10 or more; or

(4) while having an alcohol concentration of 0.10 or more, as measured within two hours of the time of driving,

is guilty of criminal vehicular operation resulting in substantial bodily harm and may be sentenced to imprisonment for not more than three years or to payment of a fine of not more than \$10,000, or both.

Subd. 3. [RESULTING IN DEATH TO AN UNBORN CHILD.] Whoever causes the death of an unborn child as a result of operating a motor vehicle defined in section 169.01, subdivision 2, or an aircraft or watercraft,

(1) in a grossly negligent manner;

(2) in a negligent manner while under the influence of alcohol, a controlled substance, or any combination of those elements; ~~or~~

(3) ~~in a negligent manner~~ while having an alcohol concentration of 0.10 or more; ~~or~~

(4) *while having an alcohol concentration of 0.10 or more, as measured within two hours of the time of driving,*

is guilty of criminal vehicular operation resulting in death to an unborn child and may be sentenced to imprisonment for not more than ten years or to payment of a fine of not more than \$20,000, or both. A prosecution for or conviction of a crime under this subdivision is not a bar to conviction of or punishment for any other crime committed by the defendant as part of the same conduct.

Subd. 4. [RESULTING IN INJURY TO UNBORN CHILD.] Whoever causes great bodily harm, ~~as defined in section 609.02, subdivision 8,~~ to an unborn child who is subsequently born alive, as a result of operating a motor vehicle ~~defined in section 169.01, subdivision 2,~~ ~~or an aircraft or watercraft,~~

(1) in a grossly negligent manner;

(2) in a negligent manner while under the influence of alcohol, a controlled substance, or any combination of those elements; ~~or~~

(3) ~~in a negligent manner~~ while having an alcohol concentration of 0.10 or more; ~~or~~

(4) *while having an alcohol concentration of 0.10 or more, as measured within two hours of the time of driving,*

is guilty of criminal vehicular operation resulting in injury to an unborn child 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. A prosecution for or conviction of a crime under this subdivision is not a bar to conviction of or punishment for any other crime committed by the defendant as part of the same conduct.

Subd. 5. [DEFINITION.] *For purposes of this section, "motor vehicle" has the meaning given in section 609.52, subdivision 1.*

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1990, and applies to crimes committed on or after that date.

ARTICLE 5

OPEN BOTTLE LAW

Section 1. Minnesota Statutes 1988, section 169.122, subdivision 2, is amended to read:

Subd. 2. No person shall have in possession ~~on the person~~ while in a private motor vehicle upon a public highway, any bottle or receptacle containing intoxicating liquor or nonintoxicating malt liquor which has been opened, or the seal broken, or the contents of which have been partially removed. *For purposes of this section, "possession" means either that the person had actual possession of the bottle or receptacle or that the person*

consciously exercised dominion and control over the bottle or receptacle. This subdivision does not apply to a bottle or receptacle that is in the trunk of the vehicle if it is equipped with a trunk, or that is in another area of the vehicle not normally occupied by the driver and passengers if the vehicle is not equipped with a trunk.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1990, and applies to violations occurring on or after that date."

Delete the title and insert:

"A bill for an act relating to traffic safety; providing for administrative impoundment of license plates of vehicles owned by repeat violators of laws relating to driving while intoxicated; providing for issuance of special plates to certain members of the violator's household; requiring peace officers to serve a notice of intent to impound when serving a notice of intent to revoke the violator's driver's license; providing for administrative and judicial review of impoundment orders; eliminating the alcohol problem screening for persons convicted of offenses associated with driving under the influence of alcohol or a controlled substance; modifying procedures for chemical use assessments, programs, and funding; changing the maximum rate for reimbursement of counties from the general fund for the assessments; expanding the crime of refusing to submit to an implied consent test; expanding the crime of aggravated driving while intoxicated; removing requirement that negligence be proven for conviction of criminal vehicular operation if driver's alcohol concentration was 0.10 or more; imposing penalties for criminal vehicular operation resulting in substantial bodily harm; prohibiting constructive possession of alcohol in a private motor vehicle; expanding the definition of possession; amending Minnesota Statutes 1988, sections 168.041, subdivisions 3, 8, and 10; 169.122, subdivision 2; 169.124, subdivision 1; 169.126, subdivisions 1, 2, 6, and by adding a subdivision; and 169.129; Minnesota Statutes 1989 Supplement, sections 169.041, subdivision 4; 169.121, subdivisions 1a and 3b; 169.126, subdivision 4; 260.193, subdivision 8; and 609.21; proposing coding for new law in Minnesota Statutes, chapter 168; repealing Minnesota Statutes 1988, sections 168.041, subdivision 3a; 169.124, subdivisions 2 and 3; and 169.126, subdivisions 2, 3, and 4b; and Minnesota Statutes 1989 Supplement, sections 168.041, subdivision 4a; and 169.126, subdivision 4a."

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

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 2465: A bill for an act relating to economic development; requiring a prevailing wage for projects which received economic development related financial assistance from a government agency; requiring certification from the commissioners of the pollution control agency and labor and industry relating to past violations; proposing coding for new law in Minnesota Statutes, chapter 116J.

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

Delete everything after the enacting clause and insert:

“Section 1. [116J.871] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] For the purposes of this section and section 2, the following terms have the meanings given them.

Subd. 2. [FINANCIAL ASSISTANCE.] “Financial assistance” means grants, loans, loan guarantees, interest subsidies, tax credits, property tax deferrals or reductions, property acquisition writedowns, subsidized utility connections, and tax abatements provided by a government agency; interest cost savings from tax-exempt bonds and other securities issued by a government agency on behalf of a person; wage subsidies and other employment and training services as defined under section 268.0111, subdivision 4, provided to or on behalf of a person by a government agency; or other financing tool or assistance utilized by the government agency to encourage development.

Subd. 3. [GOVERNMENT AGENCY.] “Government agency” means a state agency, the Greater Minnesota Corporation, a political subdivision of the state, a development agency organized or operating under chapter 469, or a port authority organized under special law.

Subd. 4. [PROJECT SITE.] “Project site” means the location where improvements are made or business operations are undertaken that are financed in whole or in part by the financial assistance; or the location of employees that receive financial assistance in the form of employment and training services as defined in section 268.0111, subdivision 4.

Sec. 2. [116J.872] [FINANCIAL ASSISTANCE; CERTIFICATION.]

Subdivision 1. [FINANCIAL ASSISTANCE LIMITATIONS.] A government agency may provide financial assistance to a person only if the person receiving or benefiting from the financial assistance certifies to the commissioner of labor and industry that laborers, workers, and mechanics at the project site during construction, installation, remodeling, and repairs for which the financial assistance was provided will be paid the prevailing wage rate as defined in section 177.42, subdivision 6, for the county or other areas from which labor for the project is secured.

Subd. 2. [PREVAILING WAGE; PENALTY.] It is a misdemeanor for a person who has certified that prevailing wages will be paid to laborers, workers, and mechanics under subdivision 1 to subsequently fail to pay the prevailing wage. This misdemeanor is punishable by a fine of not more than \$700, or imprisonment for not more than 90 days, or both. Each day a violation of this subdivision continues is a separate offense.”

Delete the title and insert:

“A bill for an act relating to economic development; requiring a prevailing wage for projects which received economic development related financial assistance from a government agency; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 116J.”

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

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S. F. No. 1848: A bill for an act relating to housing; authorizing guarantees, requiring limits, and regulating securities relating to certain home loans; amending Minnesota Statutes 1988, sections 462A.21, subdivision 9; and 475.66, subdivision 3; Minnesota Statutes 1989 Supplement, sections 462A.05, subdivision 34; and 462A.057, subdivision 7; and Laws 1989, chapter 335, article 1, section 27, subdivision 1.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1989 Supplement, section 462A.05, subdivision 34, is amended to read:

Subd. 34. [HOME EQUITY CONVERSION LOANS.] (a) The agency may make ~~or~~, purchase, *or make a forward commitment to purchase* home equity conversion loans for low- or moderate-income elderly homeowners. Loan recipients must be at least 62 years of age, have substantial equity in their home, and have an income at or below 50 percent of the greater of statewide or area median income. The agency must inform a program participant of available home equity conversion loan counseling services before making a loan.

(b) Repayment of a home equity conversion loan may not be required until at least one of the following conditions occurs:

- (1) the sale or conveyance of the mortgaged property;
- (2) the mortgaged property is no longer the mortgagor's principal residence;
- (3) the death of the mortgagor; or
- (4) a violation of an obligation of the mortgagor under the mortgage.

For purposes of this section, an obligation of the mortgagor under the mortgage does not include immediate repayment upon completion of loan disbursements at the end of a specified term.

Sec. 2. Minnesota Statutes 1988, section 462A.05, is amended by adding a subdivision to read:

Subd. 35. [MANUFACTURED HOME PARK LOANS.] *The agency may provide financial assistance for the conversion of manufactured home parks to cooperative or nonprofit ownership. Financial assistance may include direct loans, interest rate subsidy loans, loan guarantees, and down payment assistance.*

Sec. 3. Minnesota Statutes 1989 Supplement, section 462A.057, subdivision 7, is amended to read:

Subd. 7. [PURCHASE AND REHABILITATION.] An eligible organization may acquire up to five properties in a designated area with the consent of the advisory board for that area. The organization must rehabilitate these properties to the standards established by the agency. The total maximum cost of the acquisition, rehabilitation, closing costs, and back taxes must be no greater than ~~\$50,000~~ *an amount equal to 90 percent of the home sale price limitation established for the agency's home mortgage programs per individual property.* The ~~\$50,000~~ maximum may be exceeded if the

excess costs ~~over \$50,000~~ are attributed to rehabilitation or improvements to make the property handicapped accessible.

Sec. 4. Minnesota Statutes 1989 Supplement, section 462A.21, subdivision 8b, is amended to read:

Subd. 8b. [FAMILY RENTAL HOUSING.] It may establish a family rental housing assistance program to provide loans or direct rental subsidies for housing for families with incomes of up to 60 percent of area median income. Priority must be given to those developments with resident families with the lowest income. The development may be financed by the agency or other public or private lenders. Direct rental subsidies must be administered by the agency for the benefit of eligible families. Financial assistance provided under this subdivision to recipients of aid to families with dependent children must be in the form of vendor payments whenever possible. Loans and direct rental subsidies under this subdivision may be made only with specific appropriations by the legislature. *The limitations on eligible mortgagors contained in section 462A.03, subdivision 13, do not apply to loans for the rehabilitation of existing housing under this subdivision.*

Sec. 5. Minnesota Statutes 1989 Supplement, section 462A.21, subdivision 8c, is amended to read:

Subd. 8c. [RENTAL HOUSING FOR INDIVIDUALS.] It may establish a rental housing assistance program for persons of low income or with a mental illness to provide loans or direct rental subsidies for housing for individuals with incomes of up to 30 percent of area median income. Priority must be given to developments with the lowest income residents. Housing for the mentally ill must be operated in coordination with social service providers who provide services to tenants. The developments may be financed by the agency or other public or private entities. Direct rental subsidies must be administered by the agency for the benefit of eligible tenants. Financial assistance provided under this subdivision must be in the form of vendor payments whenever possible. Loans and direct rental subsidies under this subdivision may be made only with specific appropriations by the legislature. *The limitations on eligible mortgagors contained in section 462A.03, subdivision 13, do not apply to loans for the rehabilitation of existing housing under this subdivision.*

Sec. 6. Minnesota Statutes 1988, section 462A.21, subdivision 9, is amended to read:

Subd. 9. It may make loans to encourage innovations in the development or rehabilitation of single or multifamily residential housing pursuant to section 462A.05, subdivision 18. ~~Loans pursuant to this subdivision shall only be made with money appropriated directly by the legislature specifically for this purpose.~~

Sec. 7. Minnesota Statutes 1988, section 475.66, subdivision 3, is amended to read:

Subd. 3. Subject to the provisions of any resolutions or other instruments securing obligations payable from a debt service fund, any balance in the fund may be invested

(a) in governmental bonds, notes, bills, mortgages, and other securities, which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress,

(b) in shares of an investment company (1) registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and (2) whose only investments are in (i) securities described in the preceding clause, (ii) general obligation tax-exempt securities rated A or better by a national bond rating service, and (iii) repurchase agreements or reverse repurchase agreements fully collateralized by those securities, if the repurchase agreements or reverse repurchase agreements are entered into only with those primary reporting dealers that report to the Federal Reserve Bank of New York and with the 100 largest United States commercial banks,

(c) in any security which is (1) a general obligation of the state of Minnesota or any of its municipalities or in general obligations of other state and local governments with taxing powers which are rated A or better by a national bond rating service, or (2) a general obligation of the Minnesota housing finance agency, or (3) a general obligation of a housing finance agency of any state if it includes a moral obligation of the state, provided that investments under clauses (2) and (3) must be in obligations that are rated the highest or next highest rating given by Standard & Poor's Corporation or Moody's Investors Service, Inc., and investments under clause (3) may be made only (i) prior to August 1, 1991, and (ii) for a period of no more than three years from the date of purchase and further provided that investments under clauses (2) and (3) be determined to be expedient to reduce the amount of arbitrage rebate otherwise payable to the United States under section 148 of the Internal Revenue Code of 1986; *A or better by a national bond rating service,*

(d) in bankers acceptances of United States banks eligible for purchase by the Federal Reserve System,

(e) in commercial paper issued by United States corporations or their Canadian subsidiaries that is of the highest quality and matures in 270 days or less, or

(f) in guaranteed investment contracts issued or guaranteed by United States commercial banks or domestic branches of foreign banks or United States insurance companies or their Canadian or United States subsidiaries; provided that the investment contracts rank on a parity with the senior unsecured debt obligations of the issuer or guarantor and, (1) in the case of long-term investment contracts, either (i) the long-term senior unsecured debt of the issuer or guarantor is rated, or obligations backed by letters of credit of the issuer or guarantor if forming the primary basis of a rating of such obligations would be rated, in the highest or next highest rating category of Standard & Poor's Corporation, Moody's Investors Service, Inc., or a similar nationally recognized rating agency, or (ii) if the issuer is a bank with headquarters in Minnesota, the long-term senior unsecured debt of the issuer is rated, or obligations backed by letters of credit of the issuer if forming the primary basis of a rating of such obligations would be rated in one of the three highest rating categories of Standard & Poor's Corporation, Moody's Investors Service, Inc., or similar nationally recognized rating agency, or (2) in the case of short-term investment contracts, the short-term unsecured debt of the issuer or guarantor is rated, or obligations backed by letters of credit of the issuer or guarantor if forming the primary basis or a rating of such obligations would be rated, in the highest two rating categories of Standard and Poor's Corporation, Moody's Investors Service, Inc., or similar nationally recognized rating agency.

The fund may also be used to purchase any obligation, whether general or special, of an issue which is payable from the fund, at such price, which may include a premium, as shall be agreed to by the holder, or may be used to redeem any obligation of such an issue prior to maturity in accordance with its terms. The securities representing any such investment may be sold or hypothecated by the municipality at any time, but the money so received remains a part of the fund until used for the purpose for which the fund was created.

Sec. 8. Laws 1989, chapter 335, article 1, section 27, subdivision 1, is amended to read:

Subdivision 1. Total

Appropriation	12,583,000	12,584,000
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Approved Complement - 134

Spending limit on cost of general administration of agency programs:

1990	1991
\$7,130,000	\$7,560,000

This appropriation is for transfer to the housing development fund for the programs specified.

\$225,000 the first year and \$225,000 the second year are for housing programs for the elderly under Minnesota Statutes, section 462A.05, subdivision 24.

\$2,115,000 the first year and \$2,115,000 the second year are for home ownership assistance under Minnesota Statutes, section 462A.21, subdivision 8.

\$1,887,000 the first year and \$1,887,000 the second year are for tribal Indian housing programs under Minnesota Statutes, section 462A.07, subdivision 14, of which \$125,000 the first year and \$125,000 the second year are for a demonstration program to make off-reservation loans in combination with bond proceeds from *or other mortgage financing approved by the agency*.

\$233,000 the first year and \$233,000 the second year are for urban Indian housing programs under Minnesota Statutes, section 462A.07, subdivision 15, to be distributed by the agency without regard to any allocation formula.

\$4,842,000 the first year and \$4,842,000 the second year are for housing rehabilitation and accessibility loans under Minnesota Statutes, section 462A.05, subdivisions 14a and 15a.

\$569,000 the first year and \$569,000 the second year are for temporary housing programs

under Minnesota Statutes, sections 462A.05, subdivision 20; and 462A.21.

Notwithstanding any law to the contrary, in the event that the housing finance agency assumes servicing responsibility for its home improvement loans, energy loans, and rehabilitation loans, the agency may apply for an increase in its complement and administrative cost ceiling through the regular legislative advisory commission process.”

Delete the title and insert:

“A bill for an act relating to housing; making changes in the home equity conversion loan program, authorizing manufactured home park loan assistance, requiring limits, and regulating securities relating to certain home loans; amending Minnesota Statutes 1988, sections 462A.05, by adding a subdivision; 462A.21, subdivision 9; 475.66, subdivision 3; Minnesota Statutes 1989 Supplement, sections 462A.05, subdivision 34; 462A.057, subdivision 7; 462A.21, subdivisions 8b and 8c; and Laws 1989, chapter 335, article 1, section 27, subdivision 1.”

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2192: A bill for an act relating to crime; expanding the crime of first degree murder to include certain deaths caused by domestic abuse; imposing penalties; amending Minnesota Statutes 1988, section 609.185.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1989 Supplement, section 609.185, is amended to read:

609.185 [MURDER IN THE FIRST DEGREE.]

Whoever does any of the following is guilty of murder in the first degree and shall be sentenced to imprisonment for life:

(1) causes the death of a human being with premeditation and with intent to effect the death of the person or of another;

(2) causes the death of a human being while committing or attempting to commit criminal sexual conduct in the first or second degree with force or violence, either upon or affecting the person or another;

(3) causes the death of a human being with intent to effect the death of the person or another, while committing or attempting to commit burglary, aggravated robbery, kidnapping, arson in the first or second degree, tampering with a witness in the first degree, escape from custody, or any felony violation of chapter 152 involving the unlawful sale of a controlled substance;

(4) causes the death of a peace officer or a guard employed at a Minnesota state correctional facility, with intent to effect the death of that person or another, while the peace officer or guard is engaged in the performance of

official duties; ~~or~~

(5) causes the death of a minor under circumstances other than those described in clause (1) or (2) while committing ~~or attempting to commit~~ child abuse, when the perpetrator has engaged in a past pattern of child abuse upon the child and the death occurs under circumstances manifesting an extreme indifference to human life; *or*

(6) causes the death of a human being under circumstances other than those described in clause (1), (2), or (5) while committing domestic abuse, when the perpetrator has engaged in a past pattern of domestic abuse upon the victim and the death occurs under circumstances manifesting an extreme indifference to human life.

For purposes of clause (5), "child abuse" means an act committed against a minor victim that constitutes a violation of section 609.221, 609.222, 609.223, 609.224, 609.342, 609.343, 609.344, 609.345, 609.377, or 609.378.

For purposes of clause (6), "domestic abuse" means an act that:

- (1) constitutes a violation of section 609.221, 609.222, or 609.223; and*
- (2) is committed against the victim who is a family or household member as defined in section 518B.01, subdivision 2, paragraph (b).*

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1990, and applies to crimes committed on or after that date."

Amend the title as follows:

Page 1, line 5, delete "1988" and insert "1989 Supplement"

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

Mr. Bertram from the Committee on Veterans and Military Affairs, to which was referred

S.F. No. 2531: A bill for an act relating to veterans; authorizing the veterans homes board to rent certain facilities; appropriating money; amending Minnesota Statutes 1989 Supplement, section 198.003.

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

Amend the title as follows:

Page 1, line 3, delete "appropriating" and insert "authorizing expenditures of"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1838: A bill for an act relating to health; requiring a surcharge fee for hearing instrument sellers; requiring permit systems and ethical codes for occupations regulated by a health-related board; allowing cease

and desist orders against a person violating occupation regulations; requiring positive results from a toxicology test of a pregnant woman or infant to be recorded on the birth certificate or fetal death report; amending Minnesota Statutes 1988, sections 214.001, subdivision 3; and 214.11; Minnesota Statutes 1989 Supplement, sections 144.698, subdivision 1; 214.06, subdivision 1; and 626.5562, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 153A.

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

Pages 2 and 3, delete section 3

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete everything after the semicolon

Page 1, delete line 4

Page 1, line 5, delete "health-related board;"

Page 1, line 10, delete everything after the first comma and insert "section"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2481: A bill for an act relating to health; requiring an asbestos abatement rule change.

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

Delete everything after the enacting clause and insert:

"Section 1. [326.785] [ASBESTOS CONTAINMENT BARRIERS.]

Notwithstanding Minnesota Rules, part 7005.1616, subpart 4, item B, subitem (5), containment barriers, in the case of tunnel abatement enclosures, are limited to double critical barriers."

Delete the title and insert:

"A bill for an act relating to health; changing asbestos containment standards; proposing coding for new law in Minnesota Statutes, chapter 326."

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1903: A bill for an act relating to health; providing programs and incentives for persons to volunteer as bone marrow donors; requiring the commissioner of health to educate residents about the need for volunteer bone marrow donors; requiring paid leave for employees to donate bone marrow; allowing a tax credit to employers who develop tissue typing programs for employees; providing that certain contributions qualify as a

charitable contribution for purposes of the corporate franchise tax; requiring a bone marrow donor drive to encourage state employees to volunteer as bone marrow donors; appropriating money; amending Minnesota Statutes 1988, sections 290.06, by adding a subdivision; and 290.21, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 145 and 181.

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

Pages 3 to 5, delete sections 3 and 4

Page 5, line 32, delete "5" and insert "3"

Page 5, delete line 36

Page 6, delete line 1

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete everything after the semicolon

Page 1, delete lines 8 to 10

Page 1, line 11, delete "franchise tax;"

Page 1, line 13, delete "amending Minnesota"

Page 1, delete line 14

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

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2536: A bill for an act relating to insurance; accident and health; providing for the classification and disclosure of certain comprehensive health insurance data; regulating the Minnesota comprehensive health insurance plan; amending Minnesota Statutes 1988, sections 13.71, by adding a subdivision; 62E.10, subdivision 9; and 62E.14, by adding a subdivision.

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

Page 2, line 35, after "*resident*" insert "*who is eligible to enroll in the comprehensive health plan*" and delete "*comprehensive*"

Page 2, line 36, delete "*health*"

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

Ms. Berglin from the Committee on Health and Human Services, to which was re-referred

S.F. No. 2165: A bill for an act relating to occupations and professions; providing for independent medical examinations by doctors of chiropractic; amending Minnesota Statutes 1988, sections 148.01, subdivision 1; and 148.08, subdivision 3; proposing coding for new law in Minnesota Statutes,

chapter 148.

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

Page 1, line 26, delete "MEDICAL"

Page 2, lines 3, 9, 16, 20, 24, and 32, delete "medical"

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

Page 2, lines 8, 14, 18, and 27, delete "MEDICAL"

Page 2, line 10, after "analysis" insert "regarding chiropractic care"

Page 3, lines 4, 7, 12, 21, and 25, delete "medical"

Page 3, lines 20, 24, and 30, after "doctor" insert "of chiropractic"

Page 3, line 21, after "party" insert "selecting a chiropractic examination"

Page 3, line 23, delete "MEDICAL"

Page 3, line 27, delete "examiner's" and insert "examiners"

Page 4, lines 5, 17, 20, 23, 25, 29, 33, and 36, delete "medical"

Page 5, line 6, delete "medical"

Amend the title as follows:

Page 1, line 3, delete "medical"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1896: A bill for an act relating to health; providing exemptions from the infectious waste control act; requiring hospitals to accept certain infectious waste; modifying standards for ambulance drivers; requiring adoption of rules setting new standards for recertification of and upgrading to emergency care course certificates; increasing reimbursement for volunteers; exempting ambulances from vehicle license fees, registration, and excise taxes; regulating the provision of special transportation services; providing a tax credit; requiring studies; increasing medical assistance rates for ambulance services; providing funding for prehospital education, continuing education, and equipment; establishing task forces for medical directors and advisers; establishing an incentive plan for ambulance service personnel; setting plan requirements; creating a loan forgiveness program for medical students; providing nursing scholarships; creating a loan forgiveness program for advanced practice nurses; providing funding for summer medical interns; encouraging rural medical school applicants; increasing medical assistance reimbursement for certain physician services; increasing participation in the rural physicians associates program; creating a rural hospital planning and transition grant program; creating a rural hospital subsidy fund; changing requirements for swing beds; providing exemptions to the hospice licensure requirement; requiring a study of rural health professionals; allowing counties authority to exceed levy limits; appropriating money; amending Minnesota Statutes 1988, sections 136C.04, by adding a subdivision; 144A.48, subdivision 2, and by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 116.76, subdivision 9; 116.78,

by adding subdivisions; 144.562, subdivision 2; 144.804, subdivision 1; 144.809; 144.8091; 168.012, subdivision 1; 168.013, subdivision 1a; 168.33, subdivision 7; and 297B.03; Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 136A; 144; 147; 148; 174; and 290; proposing coding for new law as Minnesota Statutes, chapter 353E.

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

Page 2, line 10, delete "*public health agency*" and insert "*board of health, community health board, or public health nursing agency*"

Page 2, line 30, delete "*eligible public health agencies*" and insert "*an eligible board of health, community health board, or public health nursing agency*"

Page 2, delete line 34 and insert "*board of health, community health board, or public health nursing agency*" is defined as a board of health, community health board, or public health nursing agency"

Page 3, line 3, delete "*public health agency*" and insert "*board of health, community health board, or public health nursing agency*"

Page 3, line 17, strike "all"

Page 3, line 18, strike everything before the comma and insert "*basic life support equipment as required by rules adopted by the commissioner under section 144.804, subdivision 2*"

Page 3, lines 20 to 26, delete the new language

Page 3, after line 36, insert:

"Sec. 5. Minnesota Statutes 1989 Supplement, section 144.804, subdivision 7, is amended to read:

Subd. 7. [~~DRIVERS OF AMBULANCE SERVICE VEHICLES~~ *AMBULANCES.*] An ambulance service vehicle shall be staffed by a driver possessing a current Minnesota driver's license or equivalent and whose driving privileges are not under suspension or revocation by any state. If red lights and siren are used, the driver must also have completed training approved by the commissioner in emergency driving techniques. An ambulance transporting patients must be staffed by at least two persons who are trained according to ~~this~~ *section 144.804, subdivision 1, or section 144.809*, one of whom may be the driver. *A third person serving as driver shall be trained according to this subdivision.*"

Page 4, line 19, delete "*requirments*" and insert "*requirements*"

Page 4, line 36, before the semicolon, insert "*, as authorized in section 144.804, subdivision 7*"

Page 6, after line 7, insert:

"Sec. 8. [144.8097] [EMERGENCY MEDICAL SERVICES ADVISORY COMMITTEE.]

Subdivision 1. [ADVISORY COMMITTEE ESTABLISHED.] The commissioner of health may establish an emergency medical services advisory committee to advise, to consult with, and to make recommendations to the commissioner of health regarding the formulation of policy and plans for the organization, delivery, and evaluation of emergency medical services

within the state. The commissioner shall establish procedures for the advisory committee's proper functioning. The procedures must include, but not be limited to, methods for selecting alternate or temporary members and methods of communicating recommendations and advice to the commissioner for consideration.

Subd. 2. [MEMBERSHIP; TERMS; COMPENSATION.] (a) The committee shall consist of 17 members. The members shall be appointed by the commissioner of health and shall consist of the following:

(1) a representative of the governing bodies of the eight regional emergency medical systems designated under section 144.8093;

(2) an emergency medical services physician;

(3) an emergency department nurse;

(4) an emergency medical technician (ambulance, intermediate, or paramedic);

(5) a representative of an emergency medical care training institution;

(6) a representative of a licensed ambulance service;

(7) a hospital administrator;

(8) a first responder;

(9) a member of a community health services agency; and

(10) a representative of the public at large.

(b) As nearly as possible, one-third of the initial members' terms must expire each year during the first three years of the committee. Successors of the initial members shall be appointed for three-year terms. A person chosen to fill a vacancy shall be appointed only for the unexpired term of the board member whom the newly appointed member succeeds.

(c) The compensation and removal of all members and the expiration of the committee shall be as provided in section 15.059."

Page 6, line 24, delete "vehicles" and insert "ambulances"

Page 12, line 18, delete "employee relations" and insert "health"

Page 12, line 19, delete "health" and insert "employee relations"

Page 13, after line 15, insert:

"Sec. 19. [STUDY OF RECRUITMENT AND RETENTION INDUCEMENTS.]

The commissioner of health, in consultation with the executive director of the public employees retirement association, shall study the need for recruitment and retention inducements for professional ambulance personnel in all areas of the state. The study must: (1) examine both the feasibility of and the need for pensions, lump-sum retirement benefits, and other recruitment and retention inducements; (2) estimate potential utilization of pension and retirement plans and other inducements; and (3) provide recommendations for eligibility standards, plan funding and benefits, and plan administration for a pension plan or retirement benefit for professional ambulance personnel. The commissioner of health shall present study findings and recommendations to the legislature by January 1, 1991."

Page 13, line 28, delete "17" and insert "20"

Page 13, line 31, delete "human services" and insert "health"

Page 13, line 32, delete "6" and insert "7"

Renumber the sections of article 1 in sequence

Pages 13 to 21, delete article 2

Page 21, line 25, delete "3" and insert "2"

Page 21, line 30, delete "raised by" and insert "contributed to a fund according to recommendations of"

Pages 23 to 25, delete section 3 and insert:

"Sec. 3. [136A.1351] [NURSING GRANT PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] A nursing grant program is established under the authority of the higher education coordinating board to provide grants to registered nurses seeking to complete baccalaureate or masters degrees in nursing or a program of advanced nursing education.

Subd. 2. [DEFINITION.] "Program of advanced nursing education" means a nursing program to prepare registered nurses to become nurse practitioners or nurse anesthetists that has been certified by a nationally recognized organization having authority to certify the program.

Subd. 3. [ELIGIBILITY.] To be eligible to receive a grant, a student must be:

(1) licensed as a registered nurse in Minnesota and have been employed as a nurse in the state for at least one year prior to re-enrolling in college;

(2) a resident of the state of Minnesota;

(3) enrolled in a school or college of nursing for the purpose of completing a baccalaureate or masters degree, or a program of advanced nursing education; and

(4) eligible under any additional criteria established by the school or college of nursing, or program of advanced nursing education, in which the student is enrolled.

The scholarship must be awarded for one academic year but is renewable for a maximum of six semesters or nine quarters of full time study, or their equivalent.

Subd. 4. [RESPONSIBILITY OF NURSING PROGRAMS.] Each nursing program that wishes to participate in the nursing grant program must apply to the higher education coordinating board for funds, in accordance with rules and policies established by the board. Each nursing program must establish criteria to use in awarding the grants. These criteria must include consideration of the likelihood of a student's success in completing the nursing program and must give priority to: (1) students with the greatest financial need; and (2) students enrolling to complete baccalaureate degrees. Grants must be for a minimum of \$500, but may not exceed \$2,500 per year. Each nursing program shall establish procedures for students to apply for and receive grants.

Subd. 5. [RESPONSIBILITIES OF THE HIGHER EDUCATION COORDINATING BOARD.] The higher education coordinating board shall distribute funds each year to the nursing programs applying to participate

in the nursing grant program based on the prior academic year's enrollment of registered nurses in schools or colleges of nursing, or programs of advanced nursing education, as provided under subdivision 3, clause (3). Any funds not used by a recipient nursing program must be returned to the higher education coordinating board for redistribution under this section. The board shall establish an application process for interested nursing programs. Initial applications are due by January 1, 1991, and each subsequent year thereafter. By March 1, 1991, and each subsequent year thereafter, the board shall notify each applicant nursing program of its approximate allocation of funds in order to allow the program to determine the number of students that can be supported by the allocation. The board shall distribute funds to the nursing programs by August 1, 1991, and each subsequent year thereafter.

Subd. 6. [FUNDING.] (a) The nursing grant program shall be funded by a \$5.50 fee on each registration renewal of registered nurses as provided under section 148.231, unless the applicant specifically indicates on the renewal form that the applicant does not wish to participate in the funding of this program. The board of nursing shall transfer all money received under this subdivision, less an amount sufficient to pay the costs of administering the program not to exceed 12 percent of the fee collected under this subdivision, to the higher education coordinating board on a quarterly basis. By January 1, 1991, and each subsequent year thereafter, the board of nursing shall provide an estimate to the higher education coordinating board of the amount of money that may be available each year based on the number of anticipated registration renewals in that year.

(b) Notwithstanding paragraph (a), up to the first \$17,000 of fees collected under this subdivision may be used to program the board of nursing's computer system for purposes of administering this section.

Subd. 7. [REPORT.] The nursing programs participating in the nursing grant program shall report to the higher education coordinating board on their program activity as requested by the board. The higher education coordinating board shall report its findings and recommendations on the program to the legislature by February 1, 1995.

Subd. 8. [SUNSET.] This section is repealed on June 30, 1995."

Page 25, line 10, delete "148.284" and insert "136A.1352"

Page 25, line 23, delete the first "nurse" and insert "clinical nurse specialist" and after the second comma, insert "master's degree prepared public health nurse."

Page 26, line 2, delete "for" and insert "to become an"

Page 26, line 3, delete everything after "practice" and insert "nurse"

Page 26, line 4, delete everything before "shall"

Page 26, line 14, delete everything after "loans" and insert a period

Page 26, line 15, delete everything before "For"

Page 27, line 5, delete "education" and insert "health"

Page 27, delete section 7 and insert:

"Sec. 7. [STUDY OF MEDICAL ASSISTANCE REIMBURSEMENT FOR PHYSICIANS.]

The commissioner of human services shall examine methods to increase medical assistance reimbursement to medical doctors and doctors of osteopathy. The commissioner may consider selective reimbursement increases for the following primary care services as defined by the commissioner by the appropriate current procedure terminology (CPT): preventive care, office visits, maternity and delivery services, and pediatric immunization, or may consider other changes in medical assistance reimbursement designed to target reimbursement increases to medical doctors and doctors of osteopathy providing primary care services. The commissioner shall present recommendations to the legislature by January 15, 1991."

Page 28, line 2, delete "5" and insert "6,"

Page 28, delete lines 26 to 29

Page 28, line 30, delete "6" and insert "5"

Page 29, line 1, delete "4" and insert "3"

Page 29, line 2, delete "AND HOSPICES"

Page 30, line 36, delete "\$75,000" and insert "\$50,000"

Page 31, line 20, delete "SUBSIDY" and insert "ASSISTANCE"

Page 31, line 22, delete "subsidy" and insert "assistance"

Page 31, line 24, delete "such a subsidy" and insert "financial assistance"

Pages 32 and 33, delete sections 4 to 6

Page 33, line 23, delete "health professionals" and insert "primary care physicians and nurses"

Page 33, line 26, delete everything after "of" and insert "primary care physicians and nurses;"

Page 33, delete line 27

Page 39, line 18, after "APPROPRIATION" insert "; COMPLEMENT INCREASE"

Page 39, line 21, delete everything after "and" and insert "4."

Page 39, delete line 22 and insert "The complement of the department of health is increased by positions to carry out the requirements of sections 2, 3, and 4."

Renumber the sections of article 3 in sequence

Amend the title as follows:

Page 1, line 8, after the semicolon, insert "authorizing an emergency medical services advisory committee;"

Page 1, line 13, delete everything after the semicolon

Page 1, delete lines 14 to 17

Page 1, line 18, delete "requirements;"

Page 1, delete line 23

Page 1, line 24, delete everything before the semicolon and insert "requiring a study of medical assistance reimbursement for physicians"

Page 1, line 27, delete "changing"

Page 1, delete line 28

Page 1, line 29, delete everything before "requiring"

Page 1, line 31, after "money" insert "and increasing the complement"

Page 1, line 32, delete everything after "amending"

Page 1, delete line 33

Page 1, line 34, delete everything before "Minnesota"

Page 1, line 36, delete "144.562, subdivision 2;"

Page 1, line 37, delete "subdivision 1" and insert "subdivisions 1 and 7"

Page 1, line 38, delete "168.33, subdivision 7;"

Page 1, line 42, delete "148;" and delete "; proposing coding for new law" and insert a period

Page 1, delete line 43

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

SECOND READING OF SENATE BILLS

S.F. Nos. 1881, 2205, 1743, 2439, 2270, 1907, 1499, 2054, 2432, 1626, 1898, 2465, 1848, 2192, 1838 and 2481 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. No. 1555 was read the second time.

MOTIONS AND RESOLUTIONS

Mr. Davis moved that the name of Mr. Bertram be added as a co-author to S.F. No. 2162. The motion prevailed.

Mr. Merriam moved that the name of Mr. Morse be added as a co-author to S.F. No. 2194. The motion prevailed.

Mr. Davis moved that the name of Mr. Bertram be added as a co-author to S.F. No. 2285. The motion prevailed.

Mrs. Lantry moved that the name of Mr. Merriam be added as a co-author to S.F. No. 2419. The motion prevailed.

Mr. Frank moved that the name of Ms. Reichgott be added as a co-author to S.F. No. 2539. The motion prevailed.

Mr. Kroening moved that the names of Mr. Novak and Mrs. McQuaid be added as co-authors to S.F. No. 2551. The motion prevailed.

Mr. Stumpf moved that the name of Mr. Morse be added as a co-author to S.F. No. 2565. The motion prevailed.

Mr. Schmitz moved that S.F. No. 1742 be withdrawn from the Committee on Taxes and Tax Laws and returned to its author. The motion prevailed.

Mr. Cohen introduced—

Senate Resolution No. 160: A Senate resolution congratulating James C. Malley, the Executive Director of Merriam Park Community Center, on his

retirement.

Referred to the Committee on Rules and Administration.

Mr. Bertram introduced—

Senate Resolution No. 161: A Senate resolution congratulating Joseph H. Holthaus, of Albany, Minnesota, for being named Driver of the Month.

Referred to the Committee on Rules and Administration.

Ms. Reichgott moved that the name of Mr. McGowan be added as a co-author to S.F. No. 1853. The motion prevailed.

Mr. Diessner moved that the name of Mr. Gustafson be added as a co-author to S.F. No. 1868. The motion prevailed.

Mr. Stumpf moved that the name of Mr. Peterson, R.W. be added as a co-author to S.F. No. 1898. The motion prevailed.

Mr. Vickerman moved that S.F. No. 2502 be withdrawn from the Committee on Agriculture and Rural Development and re-referred to the Committee on Finance. The motion prevailed.

Mr. Diessner moved that S.F. No. 1869, No. 1 on the Consent Calendar, be stricken and placed at the top of General Orders. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Decker, Bernhagen, Frederick, Mrs. Pariseau and Mr. Piepho introduced—

S.F. No. 2569: A bill for an act relating to the environment; changing the collection period of the fee; changing the terms for reimbursement of petroleum tank release costs by the petroleum tank release compensation board; amending Minnesota Statutes 1988, section 115C.08, subdivision 2; and Minnesota Statutes 1989 Supplement, sections 115C.08, subdivision 5; and 115C.09, subdivision 3.

Referred to the Committee on Environment and Natural Resources.

Mr. Peterson, R.W. introduced—

S.F. No. 2570: A bill for an act relating to education; eliminating performance bond requirements for the purchase of finished tangible goods by school districts; amending Minnesota Statutes 1988, section 123.37, subdivision 1.

Referred to the Committee on Education.

Mr. Cohen introduced—

S.F. No. 2571: A bill for an act relating to commerce; clarifying exceptions to the licensing requirements for real estate brokers; amending Minnesota Statutes 1989 Supplement, section 82.18.

Referred to the Committee on Commerce.

Messrs. Marty, Lessard and Spear introduced—

S.F. No. 2572: A bill for an act relating to game and fish; requiring the commissioner of natural resources to adopt an order regulating the sale and use of blowguns; proposing coding for new law in Minnesota Statutes, chapter 97B.

Referred to the Committee on Environment and Natural Resources.

Mr. Piepho introduced—

S.F. No. 2573: A bill for an act relating to retirement; permitting participants in the college supplemental retirement plan to designate beneficiaries; amending Minnesota Statutes 1989 Supplement, section 136.82, subdivisions 1 and 2.

Referred to the Committee on Governmental Operations.

Mr. Kroening, Ms. Flynn, Messrs. Laidig and Metzen introduced—

S.F. No. 2574: A bill for an act relating to metropolitan government; authorizing the payment of systemwide costs of administering the regional recreation open space system; authorizing the acquisition and betterment of regional recreation open space lands by the metropolitan council and metropolitan area local government units; authorizing the issuance of state bonds; appropriating money.

Referred to the Committee on Environment and Natural Resources.

Mr. Knaak introduced—

S.F. No. 2575: A bill for an act relating to retirement; Minnesota state retirement system; authorizing the purchase of credit for prior service.

Referred to the Committee on Governmental Operations.

Messrs. Spear and Cohen introduced—

S.F. No. 2576: A resolution memorializing the Soviet Union to continue human rights reforms.

Referred to the Committee on Judiciary.

Mr. Solon introduced—

S.F. No. 2577: A bill for an act relating to state employees, public employees, and teachers; providing immediate vesting for those persons whose employer ceases to be a governmental agency, instrumentality, subdivision, or public body; permitting those persons to elect a refund of their accumulated contributions, retirement annuity, or deferred retirement annuity; proposing coding for new law in Minnesota Statutes, chapter 356.

Referred to the Committee on Governmental Operations.

Mr. Solon introduced—

S.F. No. 2578: A bill for an act relating to retirement; making various changes concerning reserves, coverage, contribution, and administration for the state board of investment, the Minnesota state retirement system,

the public employees retirement association, and the Duluth teachers retirement fund association; clarifying certain provisions; changing administrative requirements; amending Minnesota Statutes 1988, sections 11A.18, subdivision 6; 352.01, subdivision 13; 352.029, subdivision 3; 352.03, subdivision 1; 352.115, subdivision 7; 352.96, subdivision 4; 353.03, subdivision 3; 353.15, subdivision 2; 353.27, subdivisions 7 and 10; 353.46, subdivision 4; 353.657, subdivision 1; and 353.83; Minnesota Statutes 1989 Supplement, sections 352.021, subdivision 5; 352.93, subdivision 3; 352.96, subdivision 3; 353.01, subdivisions 2b, 11a, and 16; 353.33, subdivision 6; 353.35; and 353.656, subdivisions 1 and 3; repealing Minnesota Statutes 1989 Supplement, section 353.87, subdivision 5.

Referred to the Committee on Governmental Operations.

Messrs. Frederickson, D.J.; DeCramer and Johnson, D.E. introduced—

S.F. No. 2579: A bill for an act relating to capital improvements; providing for capital expenses for school district projects; authorizing sale of state bonds; appropriating money.

Referred to the Committee on Education.

Messrs. Vickerman; Frederickson, D.J.; Beckman and Ms. Piper introduced—

S.F. No. 2580: A bill for an act relating to taxation; property; changing the class rates on certain agricultural property; amending Minnesota Statutes Second 1989 Supplement, section 273.13, subdivision 23.

Referred to the Committee on Taxes and Tax Laws.

Mr. Peterson, R.W. introduced—

S.F. No. 2581: A bill for an act relating to education; authorizing the commissioner of education to approve district proposals to reorganize delivery of specialized services.

Referred to the Committee on Education.

Mr. Metzen introduced—

S.F. No. 2582: A bill for an act relating to game and fish; authorizing licensing of family shooting preserves; appropriating license fees; proposing coding for new law in Minnesota Statutes, chapter 97A.

Referred to the Committee on Environment and Natural Resources.

Mr. Metzen introduced—

S.F. No. 2583: A bill for an act relating to motor vehicles; establishing and regulating manufacturer's registration plates; amending Minnesota Statutes 1989 Supplement, section 168.27, subdivisions 1, 16, and 17.

Referred to the Committee on Transportation.

Mr. Metzen introduced—

S.F. No. 2584: A bill for an act relating to motor vehicles; requiring inspection of lights and brakes on certain vehicles; amending Minnesota

Statutes 1988, section 169.47, by adding a subdivision.

Referred to the Committee on Transportation.

RECONSIDERATION

Having voted on the prevailing side, Mr. Benson moved that the vote on Mr. Vickerman's motion to withdraw S.F. No. 2502 from the Committee on Agriculture and Rural Development and re-refer to the Committee on Finance, be now reconsidered. The motion prevailed.

Mr. Vickerman withdrew his motion.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 2:00 p.m., Thursday, March 15, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTY-FIRST DAY

St. Paul, Minnesota, Thursday, March 15, 1990

The Senate met at 2:00 p.m. and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. James Battle.

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

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R. D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R. W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

The President declared a quorum present.

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

MEMBERS EXCUSED

Mr. Gustafson was excused from the early part of today's Session.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 2336, 2407, 2505, 2645, 2650, 2002, 2134, 2202, 2296 and 2321.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 14, 1990

FIRST READING OF HOUSE BILLS

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

H.F. No. 2336: A bill for an act relating to historical interpretive centers; defining the status of Farmamerica in Waseca county.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1890, now on General Orders.

H.F. No. 2407: A bill for an act relating to health; requiring an asbestos abatement rule change.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2481, now on General Orders.

H.F. No. 2505: A bill for an act relating to retirement; permitting participants in the college supplemental retirement plan to designate beneficiaries; amending Minnesota Statutes 1989 Supplement, section 136.82, subdivisions 1 and 2.

Referred to the Committee on Governmental Operations.

H.F. No. 2645: A bill for an act relating to insurance; regulating domestic insurers; providing for domestications and conversions to foreign insurers; proposing coding for new law in Minnesota Statutes, chapter 60A.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2549.

H.F. No. 2650: A bill for an act relating to cemeteries; allowing transfer of certain cemetery property to a religious corporation; amending Minnesota Statutes 1988, section 306.02, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2455, now on the Consent Calendar.

H.F. No. 2002: A bill for an act relating to veterans; changing a provision prohibiting cemeteries near veterans homes; amending Minnesota Statutes 1988, section 137.20.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1967, now on General Orders.

H.F. No. 2134: A bill for an act relating to elections; changing the vote margin for an automatic recount at the state primary or general election; amending Minnesota Statutes 1988, section 204C.35, subdivision 1.

Referred to the Committee on Finance.

H.F. No. 2202: A bill for an act relating to education; allowing the board of teaching to grant variances to its rules in certain cases; amending Minnesota Statutes 1988, section 125.185, by adding a subdivision.

Referred to the Committee on Education.

H.F. No. 2296: A bill for an act relating to state lands; authorizing private sale of certain tax-forfeited land in Becker county.

Referred to the Committee on Environment and Natural Resources.

H.F. No. 2321: A bill for an act relating to consumer protection; requiring an itemized statement for certain automobile purchase price refunds; amending Minnesota Statutes 1988, sections 325F.662, subdivision 8; and 325F.665,

subdivisions 3 and 6.

Referred to the Committee on Commerce.

REPORTS OF COMMITTEES

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1645: A bill for an act relating to education; giving Cambridge full campus status in the community college system; appropriating money; amending Minnesota Statutes 1988, sections 136.60 and 136.602.

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 2314: A bill for an act relating to education; placing certain positions in special school district No. 1, Minneapolis, in the unclassified service; naming the appointing authority for the positions.

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 2248: A bill for an act relating to education; entering the Mid-western Higher Education Compact; providing the appointment of members; proposing coding for new law in Minnesota Statutes, chapter 135A.

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1808: A bill for an act relating to libraries; authorizing a regional library system to allocate levy authority for libraries; changing certain levy limits; amending Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 134.

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2549: A bill for an act relating to insurance; regulating domestic insurers; providing for domestications and conversions to foreign insurers; proposing coding for new law in Minnesota Statutes, chapter 60A.

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

Mr. Solon from the Committee on Commerce, to which was referred

H.F. No. 1985: A bill for an act relating to insurance; regulating cease and desist orders and communications with the department of commerce; amending Minnesota Statutes 1988, sections 45.027, subdivision 5; and 60A.17, by adding a subdivision.

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 1942: A bill for an act relating to insurance; regulating liability insurance claim denials; amending Minnesota Statutes 1988, section 72A.201, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 60A.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 65B.525, is amended by adding a subdivision to read:

Subd. 3. [ENTRY OF ORDER.] An order on an arbitration proceeding under subdivision 1 or 2 must be entered within 90 days of submission of a case for arbitration.

Sec. 2. Minnesota Statutes 1989 Supplement, section 72A.327, is amended to read:

72A.327 [HEALTH CLAIMS; RIGHTS OF APPEAL.]

(a) An insured whose claim for medical benefits under chapter 65B is denied because the treatment or services for which the claim is made is claimed to be experimental, investigative, not medically necessary, or otherwise not generally accepted by licensed health care providers and for which the insured has financial responsibility in excess of applicable copayments and deductibles may appeal the denial to the commissioner. *The commissioner must enter an order within 90 days of the filing of the appeal.*

(b) This section does not apply to claims for health benefits which have been arbitrated under section 65B.525, subdivision 1.

(c) A three-member panel shall review the denial of the claim and report to the commissioner. The commissioner shall establish a list of qualified individuals who are eligible to serve on the panel. In establishing the list, the commissioner shall consult with representatives of the contributing members as defined in section 65B.01, subdivision 2, and professional societies. Each panel must include: one person with medical expertise as identified by the contributing members; one person with medical expertise as identified by the professional societies; and one public member. The commissioner, upon initiation of an arbitration, shall select from each list three potential arbitrators and shall notify the issuer and the claimant of the selection. Each party shall strike one of the potential arbitrators and an arbitrator shall be selected by the commissioner from the remaining names of potential arbitrators if more than one potential arbitrator is left. In the event of multiparty arbitration, the commissioner may increase the number of potential arbitrators and divide the strikes so as to afford an

equal number of strikes to each adverse interest. If the selected arbitrator is unable or unwilling to serve for any reason, the commissioner may appoint an arbitrator, which will be subject to challenge only for cause. The party that denied the coverage has the burden of proving that the services or treatment are experimental, investigative, not medically necessary, or not generally accepted by licensed health care professionals. In determining whether the burden has been met, the panel may consider expert testimony, medical literature, and any other relevant sources. If the party fails to sustain its burden, the commissioner may order the immediate payment of the claim *and may impose a 20 percent penalty on the amount of the claim to be paid to the insured*. All proceedings of the panel and any documents received or developed by the review process are nonpublic.

(d) A person aggrieved by an order under this section may appeal the order. The appeal shall be pursuant to section 65B.525 where appropriate, or to the district court for a trial de novo, in all other cases. In nonemergency situations, if the insurer has an internal grievance or appeal process, the insured must exhaust that process before the external appeal. In no event shall the internal grievance process exceed the time limits described in section 72A.201, subdivision 4a.

(e) If prior authorization is required before services or treatment can be rendered, an appeal of the denial of prior authorization may be made as provided in this section.

(f) The commissioner shall adopt procedural rules for the conduct of appeals.

(g) The permanent rulemaking authority granted in this section is effective June 2, 1989, regardless of the actual effective date of January 1, 1990."

Delete the title and insert:

"A bill for an act relating to insurance; making changes in arbitration proceedings concerning no-fault automobile insurance; amending Minnesota Statutes 1988, section 65B.525, by adding a subdivision; and Minnesota Statutes 1989 Supplement, section 72A.327."

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 1923: A bill for an act relating to consumer protection; limiting the locations in which sales of tobacco by vending machine may be made; proposing coding for new law in Minnesota Statutes, chapter 325E.

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

Page 2, delete lines 15 to 17 and insert:

"*Subd. 3. [LOCAL REGULATION.] The governing body of a local unit of government may adopt rules or ordinances relating to vending machine sales of tobacco that are more restrictive than the restrictions imposed by this section.*

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

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

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

S.F. No. 2012: A bill for an act relating to agriculture; providing that checkoff fees from certain potato producers are not refundable; amending Minnesota Statutes 1988, section 17.63.

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2108: A bill for an act relating to liquor; authorizing liquor stores to sell candy liqueurs; exempting certain signs from cost limits; authorizing removal of partially consumed wine bottles from licensed premises; eliminating the requirement for a vote on municipal liquor store continuance upon population change; amending Minnesota Statutes 1988, sections 340A.101, subdivision 10; 340A.308; and 340A.404, by adding a subdivision; repealing Minnesota Statutes 1988, section 340A.601, subdivision 2.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 340A.101, subdivision 10, is amended to read:

Subd. 10. [EXCLUSIVE LIQUOR STORE.] “Exclusive liquor store” is an establishment used exclusively for the sale of intoxicating liquor except for the incidental sale of ice, tobacco, nonintoxicating malt liquor, beverages for mixing with intoxicating liquor, soft drinks, *liqueur-filled candies*, cork extraction devices, and books and videos on the use of alcoholic beverages in the preparation of food, and the establishment may offer recorded or live entertainment. “Exclusive liquor store” also includes an on-sale or combination on-sale and off-sale intoxicating liquor establishment which sells food for on-premise consumption when authorized by the municipality issuing the license.

Sec. 2. Minnesota Statutes 1989 Supplement, section 340A.404, subdivision 2, is amended to read:

Subd. 2. [SPECIAL PROVISION; CITY OF MINNEAPOLIS.] (a) The city of Minneapolis may issue an on-sale intoxicating liquor license to the Guthrie Theatre, the Cricket Theatre, the Orpheum Theatre, and the State Theatre, notwithstanding the limitations of law, or local ordinance, or charter provision relating to zoning or school or church distances. The licenses authorize sales on all days of the week to holders of tickets for performances presented by the theatres and to members of the nonprofit corporations holding the licenses and to their guests.

(b) The city of Minneapolis may issue an intoxicating liquor license to 510 Groveland Associates, a Minnesota cooperative, for use by a restaurant on the premises owned by 510 Groveland Associates, notwithstanding limitations of law, or local ordinance, or charter provision.

(c) Notwithstanding any other law, local ordinance or charter provision, the city of Minneapolis may issue one or more on-sale intoxicating liquor licenses to the owner of the sports arena located at 600 First Avenue North in the city of Minneapolis or an entity holding a concessions contract with the owner for use on the premises of that sports arena. The license authorizes sales on all days of the week to holders of tickets for sporting events or other events at the sports arena, and to the owner of the sports arena and the owner's guests. The licensee may not dispense intoxicating liquor to any person attending or participating in an amateur athletic event held on the premises.

Sec. 3. Minnesota Statutes 1988, section 340A.404, subdivision 3, is amended to read:

Subd. 3. [NOTICE TO THE COMMISSIONER.] A city shall within ten days of the issuance of a license under subdivision 1 or 5, inform the commissioner of the licensee's name and address and trade name, and the effective date and expiration date of the license. The city shall also inform the commissioner of a license transfer, cancellation, suspension, or revocation during the license period.

Sec. 4. Minnesota Statutes 1988, section 340A.404, subdivision 5, is amended to read:

Subd. 5. [WINE LICENSES.] (a) A municipality may issue an on-sale wine license with the approval of the commissioner to a restaurant having facilities for seating at least 25 guests at one time. A wine license permits the sale of wine of up to 14 percent alcohol by volume for consumption with the sale of food. A wine license authorizes the sale of wine on all days of the week unless the issuing authority restricts the licensee's authorization to the sale of wine on all days except Sundays.

(b) The governing body of a municipality may by ordinance authorize a holder of an on-sale wine license issued pursuant to paragraph (a) who is also licensed to sell nonintoxicating malt liquors at on-sale pursuant to section 340A.411, and whose gross receipts are at least 60 percent attributable to the sale of food, to sell intoxicating malt liquors at on-sale without an additional license.

(c) A municipality may issue an on-sale wine license with the approval of the commissioner to a licensed bed and breakfast facility.

Sec. 5. Minnesota Statutes 1988, section 340A.404, is amended by adding a subdivision to read:

Subd. 11. [REMOVAL OF WINE FROM RESTAURANT.] *A restaurant licensed to sell intoxicating liquor or wine at on-sale under this section may permit a person purchasing a full bottle of wine in conjunction with the purchase of a meal to remove the bottle of wine on leaving the licensed premises, provided that the bottle has been opened and the contents partially consumed. The removal of a bottle of wine under the conditions described in this subdivision is not an off-sale of intoxicating liquor and may be permitted without additional license.*

Sec. 6. Minnesota Statutes 1988, section 340A.504, subdivision 1, is amended to read:

Subdivision 1. [NONINTOXICATING MALT LIQUOR.] No sale of non-intoxicating malt liquor may be made between 1:00 a.m. and 8:00 a.m. on the days of Monday through Saturday, nor between 1:00 a.m. and 12:00

noon on Sunday, provided that an establishment located on land owned by the metropolitan sports commission *or the sports arena for which one or more licenses have been issued under section 340A.404, subdivision 2, paragraph (c)*, may sell nonintoxicating malt liquor between 10:00 a.m. and 12:00 noon on a Sunday on which a sports or other event is scheduled to begin at that location on or before 1:00 p.m. of that day.

Sec. 7. Minnesota Statutes 1989 Supplement, section 340A.504, subdivision 2, is amended to read:

Subd. 2. [INTOXICATING LIQUOR; ON-SALE.] No sale of intoxicating liquor for consumption on the licensed premises may be made:

(1) between ~~4:00~~ 1:30 a.m. and 8:00 a.m. on the days of Monday through Saturday;

(2) after ~~4:00~~ 1:30 a.m. on Sundays; ~~except as provided by subdivision 3;~~

(3) between 8:00 p.m. on December 24 and 8:00 a.m. on December 25, except as provided by subdivision 3.

Sec. 8. Minnesota Statutes 1989 Supplement, section 340A.504, subdivision 3, is amended to read:

Subd. 3. [INTOXICATING LIQUOR; SUNDAY SALES; ON-SALE.] (a) A restaurant, club, bowling center, or hotel with a seating capacity for at least 30 persons and which holds an on-sale intoxicating liquor license may sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 12:00 noon on Sundays and ~~4:00~~ 1:30 a.m. on Mondays.

(b) The governing body of a municipality may after one public hearing by ordinance permit a restaurant, hotel, bowling center, or club to sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 10:00 a.m. on Sundays and ~~4:00~~ 1:30 a.m. on Mondays, provided that the licensee is in conformance with the Minnesota clean air act.

(c) An establishment serving intoxicating liquor on Sundays must obtain a Sunday license. The license must be issued by the governing body of the municipality for a period of one year, and the fee for the license may not exceed \$200.

(d) A municipality may issue a Sunday intoxicating liquor license only if authorized to do so by the voters of the municipality voting on the question at a general or special election.

(e) An election conducted in a town on the question of the issuance by the county of Sunday sales licenses to establishments located in the town must be held on the day of the annual election of town officers.

(f) Voter approval is not required for licenses issued by the metropolitan airports commission or common carrier licenses issued by the commissioner. Common carriers serving intoxicating liquor on Sunday must obtain a Sunday license from the commissioner at an annual fee of \$50, plus \$5 for each duplicate.

Sec. 9. Minnesota Statutes 1988, section 340A.601, subdivision 2, is amended to read:

Subd. 2. [POPULATION CHANGE.] A city which has established a

municipal liquor store may continue to operate it notwithstanding a subsequent change in population if ~~within one year after the effective date of the census by which the municipality exceeds 10,000 in population, the question, "Shall the city continue to operate its municipal liquor store?"~~ is submitted to the voters of the city at a general or special municipal election and a majority of the voters voting on the question at the election vote in the affirmative on the question. The notice of the election shall state the question to be submitted to the electors at the election.

Sec. 10. [340A.908] [LIQUEUR-FILLED CANDY.]

Liqueur-filled candy may only be sold in an exclusive liquor store.

Sec. 11. [CITY OF ST. PAUL; WINE AND BEER LICENSES.]

Subdivision 1. [LICENSE AUTHORIZED.] The city of St. Paul may issue on-sale nonintoxicating malt liquor licenses and on-sale wine licenses to the city's division of parks and recreation. The licenses authorize the sale of wine or nonintoxicating malt liquor on property owned by the city and under the jurisdiction of the division, by

(1) employees of the city;

(2) persons holding a permit from the division to conduct an event and sell wine or nonintoxicating malt liquor to persons attending the event; or

(3) persons who have contracted with the city to sell wine or nonintoxicating malt liquor on the property.

Subd. 2. [PERMITS, CONTRACTS.] (a) Permits issued by the city under subdivision 1, clause (2), and contracts entered into by the city under subdivision 1, clause (3), must provide for:

(1) the duration of the permit or contract;

(2) the premises or area in which sales of wine or nonintoxicating malt liquor will be made;

(3) the persons to whom the sales will be made;

(4) the days and hours in which the sales will be made; and

(5) obtaining by the permit holder or contracted vendor of such liquor liability insurance or bond, or both, as the city considers necessary to protect the city's interest as the holder of the license.

(b) A permit may be issued or a contract entered into under this section with a person who does not hold a license issued under Minnesota Statutes, chapter 340A, for the retail sale of alcoholic beverages.

(c) The division may without notice or hearing refuse to issue a permit under subdivision 1, clause (2).

Subd. 3. [CITY COUNCIL APPROVAL.] The St. Paul city council must approve each:

(1) facility at which wine or nonintoxicating malt liquor will be sold by city employees;

(2) permit issued under subdivision 1, clause (2); and

(3) contract entered into under subdivision 1, clause (3).

Subd. 4. [APPLICABILITY OF GENERAL LAW.] All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply

to licenses issued under this section. Licenses authorized by this section are in addition to any other licenses authorized by law.

Sec. 12. [EARLE BROWN HERITAGE CENTER LICENSE.]

In addition to any license authorized by law, the city of Brooklyn Center may issue one on-sale intoxicating liquor license for the Earle Brown Heritage Center convention center. The license shall authorize the sale and serving of liquor to persons attending events at the center, other than amateur athletic events. The license fee and hours of sale shall be set by the city council within the limits imposed by law. All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section apply to this license.

Sec. 13. [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. 14. [ITASCA COUNTY LIQUOR LICENSE.]

Notwithstanding Minnesota Statutes, section 340A.405, subdivision 2, paragraph (e), the Itasca county board may issue a license under Minnesota Statutes, section 340A.405, subdivision 2, to a person for an establishment located less than three miles by the most direct route from the boundary of a home rule charter or statutory city with a population greater than 8,000 that is located within Itasca county.

Sec. 15. [CERTAIN COUNTIES; LIQUOR LICENSING.]

The county board of Anoka may, by resolution, delegate to the town board of each town located within the county, powers possessed by the county to issue nonintoxicating malt liquor licenses under Minnesota Statutes, section 340A.403, on-sale intoxicating liquor licenses under Minnesota Statutes, section 340A.404, and off-sale intoxicating liquor licenses under Minnesota Statutes, section 340A.405, within the unincorporated area of the county; provided that the town board of the respective town consents to the delegation of powers. License fees must be paid to the town. The town board shall assume all powers and duties of the county board in regard to licensing.

Sec. 16. [EFFECTIVE DATE.]

Section 2 is effective on approval by the Minneapolis city council and compliance with Minnesota Statutes, section 645.021. Section 3 is effective the day following final enactment. Section 11 is effective on approval by the St. Paul city council and compliance with Minnesota Statutes, section 645.021. Section 12 is effective on approval by the Brooklyn Center city council and compliance with Minnesota Statutes, section 645.021. Section 13 is effective on approval by the Duluth city council and compliance with Minnesota Statutes, section 645.021. Section 14 is effective on approval by the Itasca county board and compliance with Minnesota Statutes, section 645.021. Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), section 15 is effective without local approval the day following final enactment."

Delete the title and insert:

"A bill for an act relating to liquor; regulating the sale of liqueur-filled candy; authorizing municipalities to issue on-sale wine licenses to bed and breakfast facilities; authorizing removal of partially consumed wine bottles from licensed premises; authorizing additional licenses in the cities of Minneapolis, Brooklyn Center, and Duluth; authorizing the issuance of wine and nonintoxicating malt liquor licenses by the city of St. Paul to its parks and recreation division; authorizing the county board of Anoka county to delegate liquor licensing authority to town boards within the county; authorizing the county board of Itasca county to issue an off-sale or combination license within three miles of an incorporated area; providing for the reporting of wine licenses to the commissioner of public safety; extending hours of on-sale liquor sales; eliminating the requirement for a vote on municipal liquor store continuance upon population change; amending Minnesota Statutes 1988, sections 340A.101, subdivision 10; 340A.404, subdivisions 3, 5, and by adding a subdivision; 340A.504, subdivision 1; 340A.601, subdivision 2; Minnesota Statutes 1989 Supplement, sections 340A.404, subdivision 2; 340A.504, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 340A."

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

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

S.F. No. 2310: A bill for an act relating to education; revising, updating, and making substantive changes in the laws on the county extension service; amending Minnesota Statutes 1988, sections 38.33; 38.34; 38.35; 38.36; 38.37; and 38.38; proposing coding for new law in Minnesota Statutes, chapter 38.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 38.33, is amended to read:

38.33 [~~PURPOSE~~ COORDINATION TO MAINTAIN COUNTY EXTENSION WORK.]

~~The purpose of Sections 38.33 to 38.38 is to coordinate the work of the federal, state, and county government; the state, the several counties of the state, and the division of agricultural Minnesota extension of the University of Minnesota in the maintenance of service to maintain county extension work in agriculture and home economies.~~

Sec. 2. [38.331] [DEFINITIONS.]

Subdivision 1. [APPLICATION.] *The definitions in this section apply to sections 38.33 to 38.38.*

Subd. 2. [COUNTY EXTENSION WORK.] *"County extension work" means educational programs and services provided by extension agents in the areas of agriculture, economic and human development, community leadership, and environment and natural resources.*

Subd. 3. [DIRECTOR OF EXTENSION.] *"Director of extension" means*

the dean and director of the Minnesota extension service.

Subd. 4. [MINNESOTA EXTENSION SERVICE.] "Minnesota extension service" means the Minnesota extension service of the University of Minnesota.

Sec. 3. Minnesota Statutes 1988, section 38.34, is amended to read:

38.34 [COUNTY BOARD; ~~EXPENSES~~ MAY PAY FOR EXTENSION WORK.]

~~The A board of county commissioners of the several counties of this state are hereby authorized and empowered to may incur expenses and to expend spend money for county extension work in agriculture and home economies,~~ as provided in sections 38.33 to 38.38.

Sec. 4. Minnesota Statutes 1988, section 38.35, is amended to read:

38.35 [EXPENDITURE OF STATE APPROPRIATIONS; ~~HOW EXPENDED.~~]

~~All moneys Money~~ appropriated by the state ~~for the purpose of aiding in the maintenance to maintain~~ and pay expenses of county extension work ~~in agriculture and home economies shall must~~ be expended ~~spent~~ under the direction of the ~~dean director of the Institute of Agriculture of the University of Minnesota,~~ or the dean's ~~delegated representative extension,~~ who, acting with the county extension committee, ~~is hereby empowered to shall~~ carry out the ~~provisions of~~ sections 38.33 to 38.38.

Sec. 5. Minnesota Statutes 1988, section 38.36, is amended to read:

38.36 [COUNTY EXTENSION COMMITTEE.]

Subdivision 1. [COMMITTEE COMPOSITION.] There shall be provided in each (a) A county must have an extension committee, consisting of nine members, of whom which:

(1) two shall be members of the board of must be county commissioners, including the chair and one other member of appointed by the county board selected by the board,;

(2) the county auditor, and or the auditor's designee must be a member except if the county does not have an office of auditor, the county board shall appoint a member from the county administration; and

(3) six additional members to be selected and must be appointed at large by the county board as provided in this section. In 1970 and each year thereafter,

(b) The county board of county commissioners at their annual meeting shall select and appoint on an at large basis members at its annual meeting to fill the memberships on the extension committee expiring at that time.

(c) Members shall serve for a term of three years that number of the county extension committee as is required to fill the memberships on that committee expiring at that time.

Subd. 2. [BUDGET RECOMMENDATIONS.] In cooperation with the dean director of the Institute of Agriculture of the University of Minnesota extension, or the dean's delegated representative director's designee, the county extension committee, each year, on or before the second Monday of July in accordance with county budgetary deadlines, shall:

(1) prepare a budget showing the total funds available and needed; and shall;

(2) recommend to the county board of county commissioners the amount of county funds necessary for the maintenance to maintain, support, and pay the expenses of the county extension work in agriculture and home economies during the following year; and

(3) present a copy of such the budget shall be presented by the county auditor and county budget share recommendation to the county board of county commissioners.

Subd. 3. [COUNTY BUDGET SHARE.] It shall be the duty of The county board of county commissioners at its regular meeting in July or January, as the case may be, to shall consider the recommended county budget share of money necessary for the maintenance, support, and expenses of county extension work in agriculture and home economies during recommendation by the extension committee for the following year. For these purposes The county board of county commissioners may appropriate money annually from the its general revenue fund for the county budget share and may include the same county budget share in the annual levy of county taxes or may make a special levy for county extension purposes or both.

Subd. 4. [COUNTY EXTENSION FUND.] (a) The amount of money set aside and appropriated by the county board of county commissioners for any county for these purposes shall constitute a fund to be known as the county budget share is the county extension fund; which shall.

(b) Money from the fund may be paid out by orders of the dean director of the Institute of Agriculture of the University of Minnesota extension, or the dean's delegated representative, for salaries of the agents employed; their employees director's designee, to pay a part of the compensation of the extension agents employed, to pay directly the compensation of county support employees, and to pay other expenses incident to the work of such agents in improving agriculture and home economies and improving and bettering the marketing of farm products within the appropriation available county extension work. No An order for the application of these funds for the purposes named shall to pay money from the fund must not be issued until the expenditure shall have has been audited and signed by the county auditor or other appropriate county official. In the event there is an unexpended

(c) A balance of in the county extension fund at the end of any a year; this balance shall must be carried over or reappropriated.

Sec. 6. Minnesota Statutes 1988, section 38.37, is amended to read:

38.37 [COUNTY EXTENSION COMMITTEE; PROGRAM; COUNTY AGENTS.]

Subdivision 1. [PROGRAM.] Each year the county extension committee shall; annually, formulate develop a program of county extension work in agriculture and home economies in cooperation with the agricultural Minnesota extension division of the University of Minnesota service and the United States Department of Agriculture. For the purpose of putting this program into operation it shall be the duty of

Subd. 2. [EXTENSION AGENTS.] The county extension committee, acting with the dean director of the Institute of Agriculture of the University of Minnesota extension, or the dean's delegated representative, and in

~~accordance with county and university personnel administration procedures to employ a director's designee, shall recommend suitable and qualified person or persons for such work to be known the program as county extension agents. The extension agents must be employed according to University of Minnesota personnel procedures and must be University of Minnesota employees. The extension agents shall provide educational programs and services to enhance the quality and productivity of county extension work.~~

Sec. 7. Minnesota Statutes 1988, section 38.38, is amended to read:

38.38 [COUNTY EXTENSION COMMITTEE; DUTIES.]

~~The duties of the members of Subdivision 1. [DUTIES.] The county extension committee, in addition to those hereinbefore specified, shall be to encourage the cooperation of all individuals and organizations to cooperate to make profitable use of extension activities.~~

~~Subd. 2. [OFFICERS.] (a) It shall elect its own chair and vice-chair, who shall serve for one year. The county extension agent shall give aid and advice to all residents of the county when called upon, when the object is to improve the science, art and business of agriculture and home economics and subjects related thereto.~~

~~(b) The county auditor shall act as, the auditor's designee, or, if there is no auditor, an appointee of the county administrator is the secretary of such the county extension committee, and. The secretary shall keep a record of all its proceedings, and shall forward copies of all resolutions of the county board appropriating funds by the county commissioners to the dean director of the Institute of Agriculture of the University of Minnesota extension. The members of the county extension committee other than members of the board of county commissioners shall be reimbursed for expenses or may receive a per diem allowance in accordance with section 375.47.~~

~~Subd. 3. [COMPENSATION.] County commissioners who are members of the committee may receive a per diem pursuant to under section 375.055, subdivision 1, and may be reimbursed for their necessary expenses, including mileage in accordance with under section 471.665. Other committee members may be reimbursed for expenses or may receive a per diem allowance under section 375.47.~~

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 7 are effective July 1, 1990."

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

Mr. Hughes from the Committee on Elections and Ethics, to which was referred

S.F. No. 2002: A bill for an act relating to elections; changing the vote margin for an automatic recount at the state primary or general election; amending Minnesota Statutes 1988, section 204C.35, subdivision 1.

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

Mr. Hughes from the Committee on Elections and Ethics, to which was re-referred

S.F. No. 2334: A bill for an act relating to elections; limiting campaign expenditures by congressional candidates who choose to receive a public subsidy for their campaigns; making various changes in laws applicable to school district elections; clarifying and modifying certain exceptions to multicandidate political party expenditure limitations; modifying lobbyist reporting requirements; expanding certain reports by certain political committees and political funds; discontinuing the state ethical practices board's responsibility for developing and furnishing certain forms; providing an income tax credit for contributions to state and federal candidates and political parties; limiting contributions and solicitations during a regular legislative session; providing a public subsidy for legislative candidates in special elections; requiring candidates to match funds received from the state elections campaign fund; providing a schedule for distribution of political campaign checkoff money to political parties; requiring deer licenses to include an application for absentee ballots; requiring county auditors to provide a sample ballot for classroom use; specifying a time period for preparing a candidate's affidavit; providing penalties; appropriating money; amending Minnesota Statutes 1988, sections 10A.01, subdivisions 7 and 10b; 10A.04, subdivisions 2, 4, and 4a; 10A.20, subdivision 3; 10A.25, subdivision 10, and by adding a subdivision; 10A.255, by adding a subdivision; 10A.27, subdivisions 1 and 4; 10A.275; 10A.28, subdivision 1; 10A.30, subdivision 2; 10A.33; 97A.485, by adding a subdivision; 201.071, subdivision 3; 203B.08, subdivision 3; 204B.08, subdivision 3; 204B.09, subdivision 1; 204B.14, subdivision 5; 204B.17; 204B.44; 204C.22, subdivisions 9, 10, 15, and by adding a subdivision; 204D.04, subdivision 2; 205A.05, subdivision 1; 205A.07, by adding a subdivision; 205A.09, subdivision 2; 205A.11; 209.02, subdivision 1; 209.03; 209.09, subdivision 1; 211A.01, subdivision 6; 290.06, by adding a subdivision; and 383B.055, subdivisions 1 and 2; and Minnesota Statutes 1989 Supplement, sections 205A.10, subdivisions 2 and 3; and 209.021, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 10A and 204D; repealing Minnesota Statutes 1988, sections 10A.27, subdivision 5; 10A.32, subdivisions 1, 2, 3, and 4; and 211B.11, subdivision 2; and Minnesota Statutes 1989 Supplement, section 10A.32, subdivision 3a.

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

Delete everything after the enacting clause and insert:

“ARTICLE 1

CAMPAIGN PRACTICES

Section 1. Minnesota Statutes 1988, section 10A.01, subdivision 2, is amended to read:

Subd. 2. “Administrative action” means an action by any official, board, commission or agency of the executive branch to adopt, amend, or repeal a rule pursuant to chapter 14. “Administrative action” does not include the application or administration of an adopted rule; ~~except in cases of rate setting, power plant and powerline siting and granting of certificates of need under chapter 116J.~~

Sec. 2. Minnesota Statutes 1988, section 10A.01, subdivision 11, is amended to read:

Subd. 11. (a) "Lobbyist" means ~~any~~ *an* individual:

~~(a)~~ (1) Engaged for pay or other consideration, or authorized by another individual or association to spend money, who spends more than five hours in any month or more than \$250, not including the individual's own travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials; or

~~(b)~~ (2) Who spends more than \$250, not including the individual's own traveling expenses and membership dues, in any year for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials.

(b) "Lobbyist" does not include ~~any~~:

~~(a)~~ (1) a public official or employee of the state, *an elected local official*, or ~~any of its~~ *a nonelected local official or an employee of a political subdivisions or public bodies subdivision* acting in an official capacity, *unless the nonelected official or employee spends more than 50 hours in any month attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials, including time spent monitoring legislative or administrative action and related research, analysis, and compilation and dissemination of information;*

~~(b)~~ (2) a party or the party's representative appearing in a proceeding before a state board, commission or agency of the executive branch unless the board, commission or agency is taking administrative action;

~~(c)~~ (3) *an individual while engaged in selling goods or services to be paid for by public funds;*

~~(d)~~ (4) a news ~~media~~ *medium* or ~~their~~ *its* employees or agents while engaged in the publishing or broadcasting of news items, editorial comments or paid advertisements which directly or indirectly urge official action;

~~(e)~~ (5) a paid expert witness whose testimony is requested by the body before which the witness is appearing, but only to the extent of preparing or delivering testimony;

~~(f)~~ (6) a stockholder of a family farm corporation as defined in section 500.24, subdivision 2, who does not spend over \$250, excluding the stockholder's own travel expenses, in any year in communicating with public officials; or

~~(g)~~ (7) a party or the party's representative appearing to present a claim to the legislature and communicating to legislators only by the filing of a claim form and supporting documents and by appearing at public hearings on the claim.

Sec. 3. Minnesota Statutes 1988, section 10A.01, is amended by adding a subdivision to read:

Subd. 25. [LOCAL OFFICIAL.] "*Local official*" means a person who holds elective office in a political subdivision or who is appointed to or employed in a public position in a political subdivision in which the person has authority to make, or to vote on as a member of the governing body of the subdivision, final decisions regarding the expenditure, investment, or deposit of public money.

Sec. 4. Minnesota Statutes 1988, section 10A.01, is amended by adding a subdivision to read:

Subd. 26. [POLITICAL SUBDIVISION.] "Political subdivision" means the metropolitan council, a metropolitan agency defined in section 473.121, subdivision 5a, a municipality as defined in section 471.345, subdivision 1, the Minnesota state high school league, and a public corporation established by law.

Sec. 5. Minnesota Statutes 1988, section 10A.01, is amended by adding a subdivision to read:

Subd. 27. [PRINCIPAL.] "Principal" means an individual or association that engages a lobbyist or that compensates or authorizes the expenditure of money by a lobbyist.

Sec. 6. Minnesota Statutes 1988, section 10A.02, subdivision 1, is amended to read:

Subdivision 1. There is hereby created a state ethical practices board composed of six members. The members shall be appointed by the governor with the advice and consent of three-fifths of both the senate and the house of representatives acting separately. If either house fails to confirm the appointment of a board member within 45 legislative days after appointment, or by adjournment sine die, whichever occurs first, the appointment shall terminate on the day following the 45th legislative day or on adjournment sine die, whichever occurs first. If either house votes not to confirm an appointment, the appointment terminates on the day following the vote not to confirm. One member shall be a former member of the legislature from a major political party different from that of the governor; one member shall be a former member of the legislature from the same political party as the governor; two members shall be persons who have not been public officials, held any political party office other than precinct delegate, or been elected to public office for which party designation is required by statute in the three years preceding the date of their appointment; and the other two members shall not support the same political party. No more than three of the members of the board shall support the same political party. *No member of the board may be employed as a lobbyist.*

Sec. 7. Minnesota Statutes 1988, section 10A.02, is amended by adding a subdivision to read:

Subd. 14. [PUBLICATIONS.] The board and local officials shall publish and distribute to public officials and employees free of charge:

(1) a copy of this chapter; and

(2) summaries, in easily understandable language and designed for the use of specific categories of officials and employees, of the portions of this chapter that govern those categories.

Sec. 8. Minnesota Statutes 1988, section 10A.04, subdivision 2, is amended to read:

Subd. 2. Each report shall cover the time from the last day of the period covered by the last report to 15 days prior to the current filing date. The reports shall be filed with the board by the following dates:

(a) January 15;

(b) April 15; and

(c) July 15; and

~~(d) October 15.~~

Sec. 9. Minnesota Statutes 1988, section 10A.04, is amended by adding a subdivision to read:

Subd. 3a. [AUDITS.] The board may randomly audit the financial records of lobbyists submitting reports under this section.

Sec. 10. Minnesota Statutes 1988, section 10A.04, subdivision 4, is amended to read:

Subd. 4. (a) The report shall include such information as the board may require from the registration form and the following information required by this subdivision for the reporting period:

~~(a)~~ (b) *Each lobbyist shall report the lobbyist's total disbursements on lobbying and a breakdown of those disbursements into categories specified by the board, including but not limited to the cost of publication and distribution of each publication used in lobbying; other printing; media, including the cost of production; postage; travel; fees, including allowances; entertainment; telephone and telegraph; and other expenses.*

~~(b)~~ (c) *Each lobbyist shall report the amount and nature of each honorarium, gift, loan, item or benefit, excluding contributions to a candidate, equal in value to at least \$50, or more than \$200 in total aggregate during the reporting period, given or paid to any public official by the lobbyist or any, an employer or any employee of the lobbyist or the lobbyist's principal. The list shall include the name and address of each public official to whom the honorarium, gift, loan, item or benefit was given or paid and the date it was given or paid; and.*

~~(c)~~ (d) *Each lobbyist shall report each original source and amount of funds in excess of \$500 in any year used for the purpose of lobbying and related services, and the name and address of the lobbyist's principal. The list shall include the name, address and employer, or, if self-employed, the occupation and principal place of business, of each payer of funds in excess of \$500. If the lobbyist is an employee, the lobbyist shall report for each employer the total of the lobbyist's compensation attributable to the lobbyist's lobbying and related services, and the cost of administrative, office, support staff, and miscellaneous expenses attributable to lobbying and related services. For purposes of this paragraph, "compensation" includes lump-sum payments, bonuses, and the monetary value of fringe benefits; "lobbying" includes efforts to influence state legislative or administrative action through meeting or talking with public officials, public employees, other lobbyists, interest groups, or clients and the monitoring of legislative or administrative processes; and "related services" includes research, analysis, compilation and dissemination of information related to legislative or administrative policy in Minnesota, contributions, gifts, and entertainment designed to foster good will and favorable attitudes with a view toward encouraging support for or opposition to legislative or administrative policy.*

(e) *In addition to the information otherwise required under this subdivision, each lobbyist shall report the total amount spent to influence legislative or administrative action in Minnesota by each principal retaining or employing the lobbyist, unless reported by the principal. The total required by this paragraph includes:*

- (1) all direct payments by the principal to lobbyists in Minnesota;
- (2) expenditures for advertising, mailing, research, analysis, compilation and dissemination of information, and public relations campaigns related to legislative or administrative action in Minnesota; and
- (3) salaries and administrative expenses attributable to activities of the principal relating to efforts to influence legislative or administrative action in Minnesota.

Sec. 11. Minnesota Statutes 1988, section 10A.04, subdivision 5, is amended to read:

Subd. 5. [LATE FILING; PENALTIES.] The board shall notify by certified mail or personal service ~~any~~ a lobbyist who fails after seven days after a filing date imposed by this section to file a report or statement required by this section. If a lobbyist fails to file a report within seven days after receiving this notice, the board may impose a late filing fee of \$5 \$50 per day, not to exceed ~~\$100~~ \$1,000, commencing with the eighth day after receiving notice. The board shall further notify by certified mail or personal service ~~any~~ a lobbyist who fails to file a report within 21 days after receiving a first notice that the lobbyist may be subject to a criminal penalty for failure to file the report. A lobbyist who knowingly fails to file ~~such~~ a report or statement within seven days after receiving a second notice from the board is guilty of a misdemeanor.

Sec. 12. Minnesota Statutes 1988, section 10A.05, is amended to read:

10A.05 [LOBBYIST REPORT.]

Within 30 days after each lobbyist filing date set by section 10A.04, the executive director of the board shall report to the governor, and the presiding officer of each house of the legislature, the names of the lobbyists registered who were not previously reported, the names of the persons or associations whom they represent as lobbyists ~~and~~, the subject or subjects on which they are lobbying, *and the source and amount of each payment to the lobbyist of over \$500 in any year.*

Sec. 13. Minnesota Statutes 1988, section 10A.06, is amended to read:

10A.06 [CONTINGENT FEES PROHIBITED.]

No person ~~shall~~ *may act as or* employ a lobbyist for compensation ~~which~~ *that* is dependent upon the result or outcome of any legislative or administrative action. ~~Any~~ A person who violates the provisions of this section is guilty of a gross misdemeanor.

Sec. 14. [10A.065] [CONTRIBUTIONS AND SOLICITATIONS DURING LEGISLATIVE SESSION.]

Subdivision 1. [REGISTERED LOBBYIST CONTRIBUTIONS; LEGISLATIVE SESSION.] A candidate for the legislature, the candidate's principal campaign committee, any other political committee with the candidate's name or title, or any committee authorized by the candidate for the benefit of the candidate, shall not solicit or accept a contribution on behalf of the candidate's principal campaign committee, any other political committee with the candidate's name or title, or any committee authorized by the candidate for the benefit of the candidate, from a registered lobbyist, political committee, or political fund during a regular session of the legislature.

Subd. 2. [DEFINITION.] For purposes of this section, "regular session" does not include a special session or the interim between the two annual sessions of a biennium.

Subd. 3. [CIVIL PENALTY.] A candidate or political committee that violates this section is subject to a civil fine of up to \$500. If the board makes a public finding that there is probable cause to believe a violation of this section has occurred, the board shall bring an action, or transmit the finding to a county attorney who shall bring an action, in the district court of Ramsey county, to impose a civil fine as prescribed by the board. Fines paid under this section must be deposited in the general fund in the state treasury.

Subd. 4. [SPECIAL ELECTION.] This section does not apply to a candidate or a candidate's principal campaign committee in a legislative special election during the period beginning when the person becomes a candidate in the special election and ending on the day of the special election.

Subd. 5. [POLITICAL COMMITTEE.] This section does not apply to a political committee established by a political party as defined in section 10A.27, subdivision 4, or to a member of that political committee acting solely on behalf of the committee.

Sec. 15. Minnesota Statutes 1988, section 10A.07, is amended to read:

10A.07 [CONFLICTS OF INTEREST.]

Subdivision 1. [DISCLOSURE OF POTENTIAL CONFLICTS.] ~~Any~~ A public or local official or public employee who in the discharge of official duties would be required to take an action or make a decision ~~which~~ that would substantially affect the official's or employee's financial interests or those of an associated business, unless the effect on the official or employee is no greater than on other members of the official's or employee's business classification, profession, or occupation, shall take the following actions:

~~(a)~~ (1) prepare a written statement describing the matter requiring action or decision and the nature of the potential conflict of interest;

~~(b)~~ (2) deliver copies of the statement to the board and to the official's or employee's immediate superior, if any; and

~~(c)~~ (3) if a member of the legislature or of the governing body of a political subdivision, deliver a copy of the statement to the presiding officer of the house of service or body.

If a potential conflict of interest presents itself and there is insufficient time to comply with the provisions of clauses ~~(a)~~ (1) to ~~(c)~~ (3), the public or local official or employee shall verbally orally inform the superior or the official body of service, or committee thereof, of the body of the potential conflict. ~~The official shall file a written statement with the board within one week after the potential conflict presents itself.~~

Subd. 2. If the public official or employee is not a member of the legislature or of the governing body of a political subdivision, the superior shall assign the matter, if possible, to another employee who does not have a potential conflict of interest. If there is no immediate superior, the public official or employee shall abstain, if possible, in a manner prescribed by the board from influence over the action or decision in question. If the public official is a member of the legislature, the house of service may, at

the member's request, excuse the member from taking part in the action or decision in question. *If the official or employee is not permitted or is otherwise unable to abstain from action in connection with the matter, the official or employee shall file with the board a statement describing the potential conflict and the action taken. The statement must be filed within a week of the action taken.*

Sec. 16. Minnesota Statutes 1989 Supplement, section 10A.09, subdivision 1, is amended to read:

Subdivision 1. [TIME FOR FILING.] Except for a candidate for elective office in the judicial branch, an individual shall file a statement of economic interest with the board:

(a) (1) within 60 days of accepting employment as a public official or a local official in a political subdivision with a population of 10,000 or more;

(b) (2) within 14 days after filing an affidavit of candidacy or petition to appear on the ballot for an elective public office or an elective local office in a political subdivision with a population of 10,000 or more;

(c) (3) in the case of a public official requiring the advice and consent of the senate, within 14 days after undertaking the duties of office; or

(d) (4) in the case of members of the Minnesota racing commission, the director of the division of pari-mutuel racing, chief of security, medical officer, inspector of pari-mutuels, and stewards employed or approved by the commission or persons who fulfill those duties under contract, within 60 days of accepting or assuming duties.

Sec. 17. Minnesota Statutes 1988, section 10A.09, subdivision 2, is amended to read:

Subd. 2. [NOTIFICATION.] The secretary of state or the appropriate county auditor, upon receiving an affidavit of candidacy or petition to appear on the ballot from an individual required by this section to file a statement of economic interest, and any official who nominates or employs a public or local official required by this section to file a statement of economic interest, shall notify the board of the name of the individual required to file a statement and the date of the affidavit, petition, or nomination.

Sec. 18. Minnesota Statutes 1988, section 10A.09, subdivision 5, is amended to read:

Subd. 5. [FORM.] A statement of economic interest required by this section shall ~~shall~~ *must* be on a form prescribed by the board. The individual filing shall provide the following information:

(a) (1) name, address, occupation, and principal place of business;

(b) (2) the name of each associated business and the nature of that association;

(c) (3) a listing of all real property within the state, excluding homestead property, in which the individual holds: (i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, ~~and which~~ *with respect to an interest is valued in excess of \$2,500; or (ii) an option to buy, which with respect to property that has a fair market value of \$50,000 or more;*

(d) (4) a listing of all real property within the state in which a partnership

of which the individual is a member holds: (i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, if the individual's share of the partnership interest is valued in excess of \$2,500 or (ii) an option to buy, ~~which with respect to property that has a fair market value of \$50,000 or more. Any listing under clause (e) or (d) shall indicate the street address and the municipality or the section, township, range and approximate acreage, whichever applies, and the county wherein the property is located; and~~

(e) (5) a listing of any investments, ownership, or interests in property connected with pari-mutuel horse racing in the United States and Canada, including a race horse, in which the individual directly or indirectly holds a partial or full interest or an immediate family member holds a partial or full interest; and

(6) the giver, nature, and approximate value of a gift with a fair market value of \$100 or more, or of gifts with an aggregate fair market value of \$100 or more, received during the period covered by the report from an association, or a person other than a member of the reporting individual's extended family, with a financial interest in a matter with which the individual deals in the course of the individual's official duties.

A listing under clause (3) or (4) must include the street address, municipality, and county in which the property is located, if it is located in a municipality, or the section, township, range, and county in which it is located, and its approximate acreage, if it is located outside a municipality.

Sec. 19. Minnesota Statutes 1988, section 10A.09, is amended by adding a subdivision to read:

Subd. 5a. [LOCAL OFFICIALS IN SMALLER SUBDIVISIONS.] A local official in a political subdivision with a population of less than 10,000 shall file a statement of economic interest and a supplementary statement in accordance with subdivisions 1 and 6 disclosing the giver, nature, and approximate value of a gift with a fair market value of \$100 or more, or of gifts with an aggregate fair market value of \$100 or more, received during the period covered by the report from an association, or a person other than a member of the reporting individual's extended family, with a financial interest in a matter with which the individual deals in the course of the individual's official duties.

Sec. 20. Minnesota Statutes 1988, section 10A.09, is amended by adding a subdivision to read:

Subd. 6a. [DUPLICATE FILING; LOCAL OFFICIALS.] A local official required to file a statement or a supplementary statement under this section shall file with the governing body of the official's political subdivision a duplicate of the statement filed with the board. The governing body shall maintain statements filed with it under this subdivision and make them available for public inspection.

Sec. 21. Minnesota Statutes 1988, section 10A.20, subdivision 3, is amended to read:

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or occupation if self-employed, of

each individual, political committee or political fund who within the year has made one or more transfers or donations in kind to the political committee or political fund, including the purchase of tickets for all fund raising efforts, which in aggregate exceed \$100 for legislative or statewide candidates or ballot questions, together with the amount and date of each transfer or donation in kind, and the aggregate amount of transfers and donations in kind within the year from each source so disclosed. A donation in kind shall be disclosed at its fair market value. An approved expenditure is listed as a donation in kind. A donation in kind is considered consumed in the reporting period in which it is received. The names of contributors shall be listed in alphabetical order;

(c) The sum of contributions to the political committee or political fund during the reporting period;

(d) Each loan made or received by the political committee or political fund within the year in aggregate in excess of \$100, continuously reported until repaid or forgiven, together with the name, address, occupation and the principal place of business, if any, of the lender and any endorser and the date and amount of the loan. If any loan made to the principal campaign committee of a candidate is forgiven at any time or repaid by any entity other than that principal campaign committee, it shall be reported as a contribution for the year in which the loan was made;

(e) Each receipt in excess of \$100 not otherwise listed under clauses (b) to (d);

(f) The sum of all receipts of the political committee or political fund during the reporting period;

(g) The name and address of each individual or association to whom aggregate expenditures, including approved expenditures, have been made by or on behalf of the political committee or political fund within the year in excess of \$100, together with the amount, date, and *specific* purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made, identification of the ballot question which the expenditure is intended to promote or defeat, and in the case of independent expenditures made in opposition to a candidate, the name, address and office sought for each such candidate;

(h) The name and address of each individual or association to whom aggregate transfers or disbursements in excess of \$100 have been made within the year by or on behalf of a political fund or political committee, other than a major political party, minor political party, or principal campaign committee, together with the amount, date, and purpose of each transfer or disbursement;

(i) The sum of all expenditures made by or on behalf of the political committee or political fund during the reporting period;

⊕ (j) The amount and nature of any advance of credit incurred by the political committee or political fund, continuously reported until paid or forgiven. If any advance of credit incurred by the principal campaign committee of a candidate is forgiven at any time by the creditor or paid by any entity other than that principal campaign committee, it shall be reported as a donation in kind for the year in which the advance of credit was incurred;

⊕ (k) The name and address of each political committee, political fund,

or principal campaign committee to which aggregate transfers in excess of \$100 have been made within the year, together with the amount and date of each transfer;

~~(k) (l) The sum of all transfers made by the political committee, political fund, or principal campaign committee during the reporting period;~~

~~(l) For principal campaign committees only, the sum of noncampaign disbursements made in each category listed in section 10A.01, subdivision 10e, during the reporting period; and~~

~~(m) The sum of all noncampaign disbursements made by the political committee, political fund, or principal campaign committee during the reporting period.~~

(m) The name and address of each individual or association to whom aggregate noncampaign disbursements in excess of \$100 have been made by or on behalf of a principal campaign committee, political committee, or political fund during the year, together with the amount, date, and specific purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made.

Sec. 22. Minnesota Statutes 1988, section 10A.20, is amended by adding a subdivision to read:

Subd. 13. [SPECIFIC PURPOSE.] A requirement that the report disclose the specific purpose of an expenditure or noncampaign disbursement means that the report must contain a meaningful description of the goods or services in exchange for which the expenditure or disbursement was made. The use of broad categories, such as "miscellaneous," "entertainment," or "travel," does not satisfy this reporting requirement.

Sec. 23. Minnesota Statutes 1988, section 10A.20, is amended by adding a subdivision to read:

Subd. 14. [THIRD PARTY REIMBURSEMENT.] An individual, political committee, or political fund filing a report disclosing an expenditure or noncampaign disbursement that must be reported and itemized under this section under paragraph (g) that is a reimbursement to a single third party is required to report the specific purpose of each expenditure or disbursement for which the third party is being reimbursed. An expenditure or disbursement is a reimbursement to a third party if it is for goods and services that were not directly provided by the individual or association to whom the expenditure is made. Third party reimbursements include payments to credit card companies and reimbursement of individuals for expenses they have incurred.

Sec. 24. Minnesota Statutes 1988, section 10A.20, is amended by adding a subdivision to read:

Subd. 15. [INCOME TAX EXPENDITURES.] A report filed under this section must include any expenditures to the state or federal government to satisfy income tax liabilities. Each individual tax payment must be identified by the amount paid, the date, and the recipient.

Sec. 25. Minnesota Statutes 1988, section 10A.24, is amended to read:

10A.24 [DISSOLUTION OR TERMINATION.]

Subdivision 1. [TERMINATION REPORT.] No political committee or political fund shall dissolve until it has settled all of its debts and disposed

of all its assets in excess of \$100 and filed a termination report. The termination report may be made at any time and shall include all information required in periodic reports.

Subd. 2. [LIQUIDATION OF INACTIVE FUNDS.] (a) An inactive principal campaign committee, or other political committee or political fund with the name or title of a candidate or authorized by a candidate for the candidate's benefit, must be dissolved and its assets liquidated and deposited in the general account of the state elections campaign fund within 30 days of becoming inactive. A principal campaign committee becomes inactive on the later of the following dates:

(1) when four years have elapsed since the last election for the office sought or held at the time the principal campaign committee registered with the board; or

(2) when four years have elapsed since the last day on which the individual for whom it exists served in an elective office subject to this chapter.

A committee or fund other than a principal campaign committee becomes inactive when two years have elapsed since the committee or fund was required to file a report under this chapter.

(b) If a committee or fund becomes inactive when it still has unpaid debts, the committee or fund shall liquidate the available assets to pay the debts. If insufficient assets exist to pay the debts, the ethical practices board may set up a payment schedule to allow the committee or fund to defer dissolution until all debts are paid.

Sec. 26. Minnesota Statutes 1988, section 10A.27, subdivision 1, is amended to read:

Subdivision 1. Except as provided in subdivisions 2 and 6, no candidate shall permit the candidate's principal campaign committee to accept contributions from any individual, political committee, or political fund in excess of the following:

(a) To candidates for governor and lieutenant governor running together, \$60,000 in an election year for the office sought and \$12,000 in other years;

(b) To a candidate for attorney general, \$10,000 in an election year for the office sought and \$2,000 in other years;

(c) To a candidate for the office of secretary of state, state treasurer or state auditor, \$5,000 in an election year for the office sought and \$1,000 in other years;

(d) To a candidate for state senator, \$1,500 in an election year for the office sought ~~and \$300 in other years; and~~

(e) To a candidate for state senator, \$300 in other years;

(f) To a candidate for state representative, \$750 in an election year for the office sought; ~~and \$150 in the other year~~

(g) To a candidate for state representative, \$150 in the other years.

Sec. 27. Minnesota Statutes 1988, section 10A.27, subdivision 4, is amended to read:

Subd. 4. For the purposes of this section, a political party means the aggregate of ~~the party organization within each house of the legislature,~~

the state party organization, ~~and~~ the party organization within congressional districts, counties, legislative districts, municipalities, and precincts, ~~and all or part of the party organization within either house of the legislature, except for individual members.~~

Sec. 28. [10A.271] [CONTRIBUTION LIMIT ADJUSTMENT.]

The dollar amounts in section 10A.27, subdivision 1, paragraphs (e) and (g), must be adjusted for 1991 and subsequent nonelection years as provided in this section. By June 1 of each general election year, the executive director of the board shall determine the percentage increase in the consumer price index from December of the year in which the last determination was made, or December 1987, for the adjustment made in 1991, to December of the year preceding the current year. The dollar amounts used for the current year must be multiplied by that percentage. The product of the calculation must be added to each dollar amount to produce the dollar limitations to be in effect for the next nonelection year. The product must be rounded up to the next highest number of dollars evenly divisible by 25. The index used must be the revised consumer price index for all urban consumers for the St. Paul-Minneapolis metropolitan area prepared by the United States Department of Labor with 1982 as a base year.

Sec. 29. Minnesota Statutes 1988, section 10A.275, is amended to read:

10A.275 [MULTICANDIDATE POLITICAL PARTY EXPENDITURES.]

Subdivision 1. [EXCEPTIONS.] Notwithstanding any other provisions of this chapter, the following expenditures by a state political party ~~or~~, a substate unit of a state political party ~~as described in section 10A.27, subdivision 4~~, or two or more substate units of a state political party acting together, with at least one substate unit being either: the state party organization or the party organization within congressional districts, counties, or legislative districts, shall not be considered contributions to or expenditures on behalf of any candidate for the purposes of section 10A.25 or 10A.27, and shall not be allocated to any candidates pursuant to section 10A.22, subdivision 5:

(a) expenditures on behalf of candidates of that party generally without referring to any of them specifically in any advertisement published, posted or broadcast;

(b) expenditures for the preparation, display, mailing or other distribution of an official party sample ballot listing the names of three or more individuals whose names are to appear on the ballot;

(c) expenditures for any telephone conversation including the names of three or more individuals whose names are to appear on the ballot; ~~or~~

(d) expenditures for any political party fundraising effort on behalf of three or more candidates; ~~or~~

(e) expenditures for party committee staff member services that benefit three or more candidates. This paragraph applies only to staff members paid from the political committee of a political party as defined in section 10A.27, subdivision 4.

Subd. 2. [SUBSTATE UNIT OF STATE POLITICAL PARTY.] For purposes of this section, "substate unit of a state political party" means all or part of the party organization within each house of the legislature; the

state party organization; or the party organization within a congressional district, county, legislative district, municipality, or precinct.

Sec. 30. Minnesota Statutes 1988, section 97A.485, is amended by adding a subdivision to read:

Subd. 1a. [DEER LICENSE; ABSENTEE BALLOT APPLICATION.] The commissioner shall include with every license to take deer with firearms or by archery, sold or issued during a general election year, an application for absentee ballots. The commissioner shall obtain absentee ballot application forms from the secretary of state.

Sec. 31. Minnesota Statutes 1988, section 204B.09, subdivision 1, is amended to read:

Subdivision 1. [CANDIDATES IN STATE AND COUNTY GENERAL ELECTIONS.] Except as otherwise provided by this subdivision, affidavits of candidacy and nominating petitions for county, state and federal offices filled at the state general election shall be filed not more than 70 days nor less than 56 days before the state primary. *The affidavit may be prepared and signed at any time between 60 days before the filing period opens and the last day of the filing period.* Candidates for presidential electors may file petitions on or before the state primary day. Nominating petitions to fill vacancies in nominations shall be filed as provided in section 204B.13. No affidavit or petition shall be accepted later than 5:00 p.m. on the last day for filing. Affidavits and petitions for offices to be voted on in only one county shall be filed with the county auditor of that county. Affidavits and petitions for offices to be voted on in more than one county shall be filed with the secretary of state.

Sec. 32. [204D.165] [SAMPLE BALLOTS TO SCHOOLS.]

Notwithstanding any contrary provisions in section 204D.09 or 204D.16, the county auditor, two weeks before the applicable primary or general election, shall provide one copy of the sample partisan primary, nonpartisan primary, canary, white, or pink ballot to a school district upon request. The school district may have the sample ballots reproduced at its expense for classroom educational purposes.

Sec. 33. Minnesota Statutes 1988, section 383B.055, subdivision 1, is amended to read:

Subdivision 1. The state ethical practices board shall:

(a) ~~Develop forms for all statements and reports required to be filed under sections 383B.041 to 383B.054 and furnish the forms to the county filing officer in Hennepin county;~~

(b) (1) issue and publish advisory opinions concerning the requirements of sections 383B.041 to 383B.057 upon application in writing by the county filing officer of Hennepin county or any individual or association who wishes to use the opinion to guide the applicant's own conduct; and

(c) (2) exempt any individual or association required to disclose information under sections 383B.046 to 383B.05 from any requirement of those sections in the same manner as it exempts any individual or association from disclosure requirements under chapter 10A. An individual or association exempted from the disclosure provisions of chapter 10A, shall also be exempt from the disclosure provisions of sections 383B.046 to 383B.05.

Sec. 34. Minnesota Statutes 1988, section 383B.055, subdivision 2, is

amended to read:

Subd. 2. *The county filing officer of Hennepin county shall develop forms for all statements and reports required to be filed under sections 383B.041 to 383B.054. The filing officer shall furnish sufficient copies of the forms provided by the ethical practices board to all officers with whom candidates file affidavits or applications of candidacy and nominating petitions.*

Sec. 35. [CURRENT BOARD MEMBERS.]

Section 6 does not apply to members of the ethical practices board appointed before the effective date of section 6.

Sec. 36. [REPEALER.]

Minnesota Statutes 1988, section 211B.11, subdivision 2, is repealed.

Sec. 37. [EFFECTIVE DATE.]

Section 28 is effective the day following final enactment.

ARTICLE 2

STATE CAMPAIGN FINANCING

Section 1. Minnesota Statutes 1988, section 10A.01, subdivision 7, is amended to read:

Subd. 7. "Contribution" means a transfer of funds or a donation in kind.

Contribution includes any loan or advance of credit to a political committee, political fund, or principal campaign committee, which loan or advance of credit is (a) forgiven, or (b) paid by an ~~entity~~ *individual or an association* other than the political committee, political fund, or principal campaign committee to which the loan or advance of credit is made. If an advance of credit or a loan is forgiven or paid as provided in this subdivision, it is a contribution in the year in which the loan or advance of credit is made.

A contribution made for the purpose of defeating a candidate is considered made for the purpose of influencing the nomination or election of that candidate or any opponent of that candidate.

Contribution does not include services provided without compensation by an individual volunteering personal time on behalf of a candidate, ballot question, political committee or political fund, or the publishing or broadcasting of news items or editorial comments by the news media.

Sec. 2. Minnesota Statutes 1988, section 10A.01, subdivision 10b, is amended to read:

Subd. 10b. "Independent expenditure" means an expenditure expressly advocating the election or defeat of a clearly identified candidate, which expenditure is made without the express or implied consent, authorization, or cooperation of, and not in concert with or at the request or suggestion of, any candidate or any candidate's principal campaign committee or agent. An independent expenditure is not a contribution *to that candidate*.

Sec. 3. Minnesota Statutes 1988, section 10A.04, subdivision 4a, is amended to read:

Subd. 4a. If in any reporting period the lobbyist's reportable disbursements total not over \$100 and no honorarium, gift, loan, item or benefit equal in value to \$50 or more was given or paid to any public official, a

statement to that effect in lieu of the report may be filed for that period. The unreported disbursements shall be included in the report for the following period, unless the total for that period, including the carryover, is not over \$100. The ~~October~~ *January 15* report shall include all previously unreported disbursements, even though the total for the year is not over \$100.

Sec. 4. Minnesota Statutes 1988, section 10A.25, is amended by adding a subdivision to read:

Subd. 2a. [AGGREGATED EXPENDITURES.] When a candidate makes expenditures from more than one principal campaign committee for nomination or election to statewide office in the same election year, the amount of expenditures from all of the candidate's principal campaign committees for statewide office for that election year must be aggregated for purposes of determining the limits on campaign expenditures under subdivision 2, clauses (a) to (c).

Sec. 5. Minnesota Statutes 1988, section 10A.25, subdivision 10, is amended to read:

Subd. 10. The expenditure limits imposed by this section apply only to candidates whose major political party opponents agree to be bound by the limits and who themselves agree to be bound by the limits as a condition of receiving a public subsidy for their campaigns in the form of an allocation of money from the state elections campaign fund.

A candidate of a major political party who agrees to be bound by the limits and receives a public subsidy, who has an opponent who: (1) is a candidate of a major political party; and (2) does not agree to be bound by the limits but is otherwise eligible to receive a public subsidy, is no longer bound by the limits but is still eligible to receive a public subsidy.

Sec. 6. Minnesota Statutes 1988, section 10A.255, is amended by adding a subdivision to read:

Subd. 3. [PUBLICATION OF EXPENDITURE LIMIT.] By June 15 of each year the board shall publish in the State Register the expenditure limit for each office for that calendar year under section 10A.25 as adjusted by this section.

Sec. 7. Minnesota Statutes 1988, section 10A.28, subdivision 1, is amended to read:

Subdivision 1. [CANDIDATE EXCEEDING EXPENDITURE LIMITS.] A candidate subject to the expenditure limits of in section 10A.25 who permits the candidate's principal campaign committee to make expenditures or permits approved expenditures to be made on the candidate's behalf in excess of the limits imposed by section 10A.25 shall be, as adjusted by section 10A.255, is subject to a civil fine up to four times the amount which the expenditures exceeded the limit.

Sec. 8. Minnesota Statutes 1988, section 10A.30, subdivision 2, is amended to read:

Subd. 2. Within the state elections campaign fund account there shall be maintained a separate political party account for the candidates of each political party and a general account.

Sec. 9. [10A.315] [SPECIAL ELECTION SUBSIDY.]

(a) Each eligible candidate for a legislative office in a special election must be paid a public subsidy equal to the sum of:

(1) the party account money at the last general election for the candidate's party for the office the candidate is seeking; and

(2) the general account money paid to candidates for the same office at the last general election.

(b) If the filing period for the special election does not coincide with the filing period for the general election, a candidate who wishes to receive this public subsidy must submit a signed agreement under section 11 to the board not later than the day after the candidate files the affidavit of candidacy or nominating petition for the office. The special election subsidy must be distributed in the same manner as money in the general account is distributed to legislative candidates in a general election.

(c) The amount necessary to make the payments required by this subdivision is appropriated from the general fund to the state treasurer.

Sec. 10. [10A.321] [ESTIMATES OF MINIMUM AMOUNTS TO BE RECEIVED.]

Subdivision 1. [CALCULATION AND CERTIFICATION OF ESTIMATES.] *The commissioner of revenue shall calculate and certify to the board before July 1 in an election year an estimate of the total amount in the state general account of the state elections campaign fund and the amount of money each candidate who qualifies, as provided in section 10A.31, subdivisions 6 and 7, may receive from the candidate's party account in the state elections campaign fund. This estimate must be based upon the allocations and formulas in section 10A.31, subdivision 5, any necessary vote totals provided by the secretary of state to apply the formulas in section 10A.31, subdivision 5, and the amount of money expected to be available after 100 percent of the tax returns have been processed.*

Subd. 2. [PUBLICATION, CERTIFICATION, AND NOTIFICATION PROCEDURES.] *Before the first day of filing for office, the board shall publish and forward to all filing officers the estimates calculated and certified under subdivision 1. Within seven days after the last day for filing for office, the secretary of state shall certify to the board the name, address, office sought, and party affiliation of each candidate who has filed with that office an affidavit of candidacy or petition to appear on the ballot. The auditor of each county shall certify to the board the same information for each candidate who has filed with that county an affidavit of candidacy or petition to appear on the ballot. Within seven days afterward, the board shall estimate the minimum amount to be received by each candidate who qualifies, as provided in section 10A.31, subdivisions 6 and 7. By August 15 the board shall notify all candidates of their minimum amount. The board shall include with the notice a form for the agreement provided in section 11.*

Sec. 11. [10A.322] [PUBLIC SUBSIDY AGREEMENTS.]

Subdivision 1. [AGREEMENT BY CANDIDATE.] *(a) As a condition of receiving a public subsidy from the state elections campaign fund, a candidate shall sign and file with the board a written agreement in which the candidate agrees that:*

(1) the aggregate of expenditures made by the principal campaign committee of the candidate and approved expenditures made on behalf of the

candidate will not exceed the expenditure limits in section 10A.25, as adjusted by section 10A.255, except as otherwise provided by section 10A.25, subdivision 10;

(2) except for an amount equal to 25 percent of the expenditure limits set forth in section 10A.25, but not exceeding \$15,000, the candidate will not accept contributions or allow approved expenditures to be made on the candidate's behalf for the period beginning with January 1 of the election year or with the registration of the candidate's principal campaign committee, whichever occurs later, and ending December 31 of the election year; that exceed the difference between the amount that may legally be expended by or for the candidate, and the amount that the candidate receives from the state elections campaign fund; and

(3) except for an amount equal to 25 percent of the expenditure limits set forth in section 10A.25, but not exceeding \$15,000, any amount by which the aggregate contributions and approved expenditures agreed to exceed the difference will be returned to the state treasurer, deposited in the state treasury, and credited to the general fund.

(b) Money in the account of the principal campaign committee of a candidate on January 1 of the election year for the office held or sought must be considered contributions accepted by that candidate in that year for the purposes of this subdivision. The portion of contributions accepted by a candidate in an election year that equals the amount of noncampaign disbursements and contributions and expenditures to promote or defeat a ballot question that are made by that candidate in that year do not count toward the aggregate contributions and approved expenditure limit imposed by this subdivision.

Subd. 2. [SUBMISSION OF AGREEMENT.] Before the first day of filing for office, the board shall forward agreement forms to all filing officers. The candidate may sign an agreement and submit it to the filing officer on the day of filing an affidavit of candidacy or petition to appear on the ballot, in which case the filing officer shall without delay forward signed agreements to the board. Alternatively, the candidate may submit the agreement directly to the board by September 1. An agreement may not be rescinded after September 1. The board shall forward a copy of any agreement signed under this subdivision to the commissioner of revenue.

Subd. 3. [HOW LONG AGREEMENT IS EFFECTIVE.] The agreement, insofar as it relates to the expenditure limits in section 10A.25, as adjusted by section 10A.255, remains effective for candidates until the dissolution of the principal campaign committee of the candidate or the opening of filing for the next succeeding election to the office held or sought at the time of agreement, whichever occurs first.

Sec. 12. [10A.323] [MATCHING REQUIREMENTS.]

In addition to the requirements of section 11, to be eligible to receive a public subsidy from the state elections campaign fund a candidate shall file an affidavit with the board stating that during that calendar year the candidate has accumulated contributions, including unexpended balances from the year before, or has made contributions to self, equal to 20 percent or more of the minimum amount that the board estimates, on August 15 of the general election year, would be received by the candidate from the state elections campaign fund. The candidate or the candidate's treasurer shall submit the affidavit required by this subdivision to the board in writing

by October 1 of the general election year.

Sec. 13. [10A.324] [RETURN OF PUBLIC SUBSIDY.]

Subdivision 1. [WHEN RETURN REQUIRED.] A candidate shall return all or a portion of the public subsidy received from the state elections campaign fund under the circumstances in paragraph (a), (b), or (c).

(a) To the extent that the amount of public subsidy received by the candidate exceeds the expenditure limits for the office held or sought, as provided in section 10A.25 and as adjusted by section 10A.255, the treasurer of the candidate's principal campaign committee shall return the excess to the board.

(b) To the extent that the amount of public subsidy received exceeds the aggregate of: (1) actual expenditures made by the principal campaign committee of the candidate; and (2) approved expenditures made on behalf of the candidate, the treasurer of the candidate's principal campaign committee shall return an amount equal to the difference to the board.

(c) Except for an amount equal to 25 percent of the expenditure limits set forth in section 10A.25, but not exceeding \$15,000, any amount by which the aggregate contributions and approved expenditures agreed to exceed the difference must be returned to the state treasurer, deposited in the state treasury, and credited to the general fund. The amount returned must not exceed the amount received from the state elections campaign fund.

Subd. 2. [HOW RETURN DETERMINED.] Whether or not a candidate is required under subdivision 1 to return all or a portion of the public subsidy received from the state elections campaign fund must be determined from the report required to be filed with the board by that candidate by January 31 of the year following an election. Any amount required to be returned must be submitted in the form of a check or money order and must accompany the report filed with the board. The board shall forward the check or money order to the state treasurer for deposit in the general fund. The amount returned must not exceed the amount of public subsidy received by the candidate from the state elections campaign fund.

Sec. 14. [10A.325] [POLITICAL PARTY NOT HAVING CERTAIN CANDIDATES.]

If money has been accumulated in the state elections campaign fund for the candidates of a political party, and the party does not have a candidate in a general election for the office of state senator or state representative, the party account money allocated for the office for which there is no candidate must be returned to the general fund of the state. If that party does not have a candidate in a general election for any state constitutional office, the party account money allocated for that office must be transferred to the state general account of the state elections campaign fund for reallocation to all of the candidate offices as provided in section 10A.31, subdivision 5, and for distribution in that election year to candidates as provided under section 10A.31, subdivision 7.

Sec. 15. Minnesota Statutes 1988, section 10A.33, is amended to read:

10A.33 [APPLICATION.]

Except as otherwise provided in section 9, the provisions of sections

10A.30 to ~~10A.32~~ shall 10A.325 apply only in general elections and primaries preceding general elections and ~~shall~~ do not apply to special elections or special primaries.

Sec. 16. [REPEALER.]

Minnesota Statutes 1988, section 10A.32, subdivisions 1, 2, 3, and 4; and Minnesota Statutes 1989 Supplement, section 10A.32, subdivision 3a, are repealed.

Sec. 17. [EFFECTIVE DATE.]

This article is effective July 1, 1990.

ARTICLE 3

CONGRESSIONAL CAMPAIGN FINANCING

Section 1. [10A.41] [DEFINITIONS.]

Subdivision 1. [APPLICATION.] The definitions in this section apply to sections 1 to 11. The definitions in section 10A.01 also apply to sections 1 to 11, except as they are superseded by the definitions in this section.

Subd. 2. [AUTHORIZED COMMITTEE.] "Authorized committee" means the principal campaign committee or another political committee designated and authorized by a congressional candidate under United States Code, title 2, section 432, subsection (e)(1), to receive contributions or make expenditures on behalf of that congressional candidate.

Subd. 3. [CAMPAIGN EXPENDITURE; EXPENDITURE.] "Campaign expenditure" or "expenditure" means "expenditure" as that term is defined under United States Code, title 2, section 431, paragraph (9).

Subd. 4. [CONGRESSIONAL CANDIDATE.] "Congressional candidate" means an individual who seeks nomination or election to the United States senate or house of representatives from this state and who is a "candidate" as that term is defined under United States Code, title 2, section 431, paragraph (2). A congressional candidate is not a "candidate" as defined in section 10A.01, subdivision 5.

Subd. 5. [CONTRIBUTION.] "Contribution" means a "contribution" as that term is defined under United States Code, title 2, section 431, paragraph (8).

Subd. 6. [POLITICAL COMMITTEE.] "Political committee" means a "political committee" as that term is defined under United States Code, title 2, section 431, paragraph (4). "Political committee" includes a major political party, a minor political party, a principal campaign committee, and an authorized committee.

Subd. 7. [PRINCIPAL CAMPAIGN COMMITTEE.] "Principal campaign committee" means a political committee designated and authorized by that congressional candidate under United States Code, title 2, section 432, subsection (e)(1).

Sec. 2. [10A.42] [LIMITATION ON APPLICATION.]

The provisions of sections 10A.11 to 10A.24 relating to the organization, registration, and administration of and reporting and disclosure by political funds and political committees, including principal campaign committees, do not apply to congressional candidates and authorized committees

of congressional candidates. The organization, registration, and administration of and reporting and disclosure by authorized committees of congressional candidates are governed by United States Code, title 2, chapter 14.

Sec. 3. [10A.43] [PUBLIC SUBSIDY AGREEMENT.]

Subdivision 1. [AGREEMENT.] As a condition of receiving a public subsidy, a congressional candidate shall sign and file with the board a written agreement in which the candidate agrees that the aggregate of expenditures made by the authorized committees of the congressional candidate may not exceed the expenditure limits in section 4.

Subd. 2. [SUBMISSION OF AGREEMENT.] Before the first day of filing for office, the board shall forward agreement forms to all filing officers. The congressional candidate may sign an agreement and submit it to the filing officer on the day of filing an affidavit of candidacy or petition to appear on the ballot, in which case the filing officer shall without delay forward signed agreements to the board. Alternatively, the congressional candidate may submit the agreement directly to the board by September 1. An agreement may not be rescinded after September 1. The board shall forward a copy of any agreement signed under this subdivision to the commissioner of revenue.

Subd. 3. [HOW LONG AGREEMENT IS EFFECTIVE.] The agreement, insofar as it relates to the expenditure limits in section 4, remains effective for congressional candidates until the termination of the authorized committees of the congressional candidate, as provided under United States Code, title 2, section 433(d), or the opening of filing for the next succeeding election to the office held or sought at the time of agreement, whichever occurs first.

Sec. 4. [10A.44] [CONGRESSIONAL CAMPAIGN SPENDING LIMITS.]

Subdivision 1. [LIMITS.] In a year in which an election is held for an office sought by a congressional candidate, no expenditures may be made by the authorized committees of that congressional candidate that result in an aggregate amount in excess of the following:

- (1) for United States senator, \$3,000,000; and*
- (2) for representative in Congress, \$300,000.*

Subd. 2. [ADJUSTMENT BY CONSUMER PRICE INDEX.] (a) The dollar amounts provided in subdivision 1 must be adjusted for general election years as provided in this subdivision. By June 1 of the general election year, the executive director of the board shall determine the percentage increase in the consumer price index from December of the year preceding the last general election year to December of the year preceding the year in which the determination is made. The dollar amounts used for the last general election year must be multiplied by that percentage. The product of the calculation must be added to each dollar amount to produce the dollar limitations to be in effect for the next general election. The product must be rounded up to the next highest whole dollar. The index used must be the revised consumer price index for all urban consumers for the St. Paul-Minneapolis metropolitan area prepared by the United States Department of Labor with 1982 as a base year.

(b) The dollar amounts in subdivision 1 must be adjusted for the 1992 races for representative in Congress and the 1994 race for United States

senate, and subsequent general elections for those offices in the manner provided in paragraph (a), except that the last general election year must be considered to be 1986 and the dollar amounts used for the last general election year for the offices of United States senator and representative in Congress must be \$3,000,000 and \$300,000 respectively.

(c) By June 15 of each year, the board shall publish in the State Register the expenditure limit for each office for that calendar year as adjusted under this subdivision.

Subd. 3. [CONTESTED PRIMARY RACES.] Notwithstanding the limits imposed by subdivisions 1 and 2, the winning congressional candidate in a contested race in a primary who receives less than twice as many votes as any one of the candidate's opponents in that primary may make aggregate expenditures equal to 120 percent of the applicable amount under subdivisions 1 and 2.

Subd. 4. [POSTELECTION YEAR EXPENDITURES.] In any year following an election year for the office held or sought, the aggregate amount of expenditures on behalf of a congressional candidate for or holder of that office must not exceed 20 percent of the expenditure limit in subdivisions 1 and 2.

Subd. 5. [LIMITATION CONDITIONAL.] (a) The expenditure limits imposed by this section apply only to congressional candidates who agree to be bound by the limits as a condition of receiving a public subsidy for their campaigns and whose major political party opponents also agree to be bound by the limits.

(b) If a congressional candidate of a major political party agrees to be bound by the limits and has an opponent who is a congressional candidate of a major political party who is otherwise eligible to receive a subsidy, then:

(1) if the opponent agrees to be bound by the limits, both candidates are bound by the limits but neither may receive a public subsidy and the amount that both candidates would have received must be canceled to the general fund; and

(2) if the opponent does not agree to be bound by the limits, the congressional candidate is no longer bound by the limits but is still eligible to receive a public subsidy.

Sec. 5. [10A.45] [CONTRIBUTION AND LOAN LIMITS.]

Contributions by or to a congressional candidate and loans to a congressional candidate are governed by United States Code, title 2, chapter 14.

Sec. 6. [10A.46] [MULTICANDIDATE POLITICAL PARTY EXPENDITURES.]

Multicandidate political party expenditures with respect to congressional candidates are governed by United States Code, title 2, section 431, paragraph (9).

Sec. 7. [10A.47] [PENALTY FOR EXCEEDING LIMITS.]

Subdivision 1. [EXPENDITURE LIMITS.] A congressional candidate subject to the expenditure limits in section 4 who permits the candidate's authorized committees to make aggregate expenditures on the candidate's behalf in excess of the limits imposed by section 4 is subject to a civil fine

up to four times the amount by which the expenditures exceed the limit.

Subd. 2. [CONTRIBUTION LIMITS.] A congressional candidate who permits the candidate's authorized committees to accept contributions in excess of the limits imposed under United States Code, title 2, chapter 14, is subject to the penalties imposed by United States Code, title 2, section 437g.

Subd. 3. [CONCILIATION AGREEMENTS.] If the board finds that there is reason to believe that excess expenditures have been made contrary to subdivision 1 or 2, the board shall make every effort for not less than 14 days after its finding to correct the matter by informal methods of conference and conciliation and to enter a conciliation agreement with the person involved. A conciliation agreement made under this subdivision is a matter of public record. Unless violated, a conciliation agreement bars any civil proceeding under subdivision 4.

Subd. 4. [CIVIL ACTION.] If the board is unable after a reasonable time to correct by informal methods any matter that constitutes probable cause to believe that excess expenditures have been made contrary to subdivision 1 or 2, the board shall make a public finding of probable cause in the matter. After making a public finding, the board shall bring an action or transmit the finding to a county attorney who shall bring an action to impose a civil fine as prescribed by the board under subdivision 1 or 2. An action filed against a congressional candidate for United States senator must be brought in the district court of Ramsey county. An action filed against a congressional candidate for representative in Congress must be brought in the district court of a county within the congressional candidate's congressional district. All money recovered under this section must be deposited in the state treasury and credited to the general fund.

Sec. 8. [10A.48] [MATCHING REQUIREMENTS.]

In order to be eligible to receive a public subsidy, a congressional candidate must provide evidence to the board of nonpublic contributions equal to the public subsidy.

Sec. 9. [10A.49] [CERTIFICATION AND DISTRIBUTION.]

Subdivision 1. [CERTIFICATION OF ELIGIBLE CANDIDATES.] Within one week after certification by the state canvassing board of the results of the primary, the ethical practices board shall certify to the state treasurer the name of each congressional candidate who is eligible to receive a public subsidy.

Subd. 2. [DISTRIBUTION OF MONEY AFTER PRIMARY.] Within two weeks after certification by the state canvassing board of the results of the primary, the state treasurer shall pay a public subsidy of up to \$1,000,000 to any congressional candidate of a major political party for the office of senator who has signed an agreement as required under section 3 and is eligible to receive a public subsidy; and up to \$100,000 to each congressional candidate of a major political party for the office of representative who has signed an agreement as required under section 3 and is eligible to receive a public subsidy.

Sec. 10. [10A.50] [RETURN OF PUBLIC SUBSIDY.]

Subdivision 1. [WHEN REQUIRED.] A congressional candidate shall return all or a portion of the public subsidy received under the circumstances in paragraphs (a) and (b).

(a) *To the extent that the public subsidy received by the congressional candidate exceeds the expenditure limits for the office held or sought, as provided in section 4, the treasurer of the congressional candidate's principal campaign committee shall return the excess to the board.*

(b) *To the extent that the public subsidy received exceeds the aggregate of actual expenditures made by the authorized committees of the congressional candidate, the treasurer of the congressional candidate's principal campaign committee shall return an amount equal to the difference to the board.*

Subd. 2. [HOW RETURN DETERMINED.] Whether or not a congressional candidate is required under subdivision 1 to return all or a portion of the public subsidy received must be determined from the report required to be filed with the board by that congressional candidate by January 31 of the year following an election. Any amount required to be returned must be submitted in the form of a check or money order and must accompany the report filed with the board. The board shall forward the check or money order to the state treasurer for deposit in the general fund. The amount returned must not exceed the amount of public subsidy received by the congressional candidate.

Sec. 11. [10A.51] [CAMPAIGN REPORTS.]

A congressional candidate who agrees to be bound by the expenditure limits in section 4, as a condition of receiving a public subsidy for the candidate's campaign, shall file with the board copies of all reports that the candidate or the candidate's principal campaign committee treasurer acting for the candidate is required to file under United States Code, title 2, chapter 14. The reports must be filed with the board at the times required under United States Code, title 2, section 434.

Sec. 12. [APPROPRIATION.]

\$1,500,000 is appropriated from the general fund to the state treasurer to pay the public subsidies for congressional campaigns provided for by this act.

If this appropriation is insufficient to provide the amounts specified in section 9, subdivision 2, the public subsidy must be distributed so that each eligible United States house of representatives candidate will receive an amount equal to one-tenth the amount given to any eligible United States senate candidate.

Sec. 13. [SEVERABILITY.]

If a provision of this article is found to be unconstitutional and void, the remaining provisions of this article remain valid.

Sec. 14. [EFFECTIVE DATE.]

This article is effective July 1, 1990.

ARTICLE 4

OPEN MEETINGS

Section 1. [3.055] [OPEN MEETINGS.]

Except as inconsistent with or otherwise provided in this section, meetings of the legislature are governed by section 471.705, including sessions of the senate, sessions of the house of representatives, joint sessions of the

senate and the house of representatives, and meetings of a standing committee, committee division, subcommittee, conference committee, or legislative commission, but not including a caucus of the members of any of those bodies from the same house and political party nor a delegation of legislators representing a geographic area or political subdivision. For purposes of this section, a meeting occurs when a quorum is present and discussion of matters within the jurisdiction of the body occurs or action is taken. Notice of the meeting must be provided in accordance with the rules of each house or the joint rules of both houses. Upon a complaint by any person that a member of the legislature has violated this section, the house of which the legislator is a member shall act on the complaint according to the rules of that house. If, after review, a committee of the house finds the complaint substantiated by the evidence, it shall recommend to the house appropriate disciplinary action. Proceedings to enforce this section may not be brought in court.

Sec. 2. Minnesota Statutes 1988, section 471.705, subdivision 1, is amended to read:

Subdivision 1. Except as otherwise expressly provided by statute, all meetings, including executive sessions, *of the legislature and* of any state agency, board, commission or department when required or permitted by law to transact public business in a meeting, and the governing body of any school district however organized, unorganized territory, county, city, town, or other public body, and of any committee, subcommittee, board, department or commission thereof, shall be open to the public, except meetings of the board of pardons and the commissioner of corrections. The votes of the members of such state agency, board, commission or department or of such governing body, committee, subcommittee, board, department or commission on any action taken in a meeting herein required to be open to the public shall be recorded in a journal kept for that purpose, which journal shall be open to the public during all normal business hours where such records are kept. The vote of each member shall be recorded on each appropriation of money, except for payments of judgments, claims and amounts fixed by statute. This section shall not apply to any state agency, board, or commission when exercising quasi-judicial functions involving disciplinary proceedings.”

Delete the title and insert:

“A bill for an act relating to elections; limiting campaign expenditures by congressional candidates who choose to receive a public subsidy for their campaigns; clarifying and modifying certain exceptions to multicandidate political party expenditure limitations; modifying lobbyist reporting requirements; expanding certain reports by certain political committees and political funds; discontinuing the state ethical practices board’s responsibility for developing and furnishing certain forms; limiting contributions and solicitations during a regular legislative session; providing a public subsidy for legislative candidates in special elections; requiring candidates to match funds received from the state elections campaign fund; providing a schedule for distribution of political campaign checkoff money to political parties; requiring deer licenses to include an application for absentee ballots; requiring county auditors to provide a sample ballot for classroom use; specifying a time period for preparing a candidate’s affidavit; applying the open meeting law to the legislature; providing penalties; appropriating money; amending Minnesota Statutes 1988, sections 10A.01, subdivisions 2, 7, 10b, 11, and by adding subdivisions; 10A.02, subdivision 1, and by

adding a subdivision; 10A.04, subdivisions 2, 4, 4a, 5, and by adding a subdivision; 10A.05; 10A.06; 10A.07; 10A.09, subdivisions 2, 5, and by adding subdivisions; 10A.20, subdivision 3, and by adding subdivisions; 10A.24; 10A.25, subdivision 10, and by adding a subdivision; 10A.255, by adding a subdivision; 10A.27, subdivisions 1 and 4; 10A.275; 10A.28, subdivision 1; 10A.30, subdivision 2; 10A.33; 97A.485, by adding a subdivision; 204B.09, subdivision 1; 383B.055, subdivisions 1 and 2; 471.705, subdivision 1; Minnesota Statutes 1989 Supplement, section 10A.09, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 3; 10A; and 204D; repealing Minnesota Statutes 1988, sections 10A.32, subdivisions 1, 2, 3, and 4; 211B.11, subdivision 2; and Minnesota Statutes 1989 Supplement, section 10A.32, subdivision 3a."

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

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

S.F. No. 2426: A bill for an act relating to natural resources; authorizing a matching grant for the development of demonstration forest facilities at the forest resource center, Lanesboro; appropriating money.

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

Page 1, delete section 1

Renumber the sections in sequence

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

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

S.F. No. 1784: A bill for an act relating to waste; prohibiting the placement of certain dry cell batteries in mixed municipal solid waste; requiring labeling of certain batteries by electrode content; establishing maximum content levels of mercury in batteries; requiring that batteries in certain consumer products be easily removable; providing penalties; proposing coding for new law in Minnesota Statutes, chapters 115A and 325E.

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

Delete everything after the enacting clause and insert:

"Section 1. [115A.9155] [DISPOSAL OF CERTAIN DRY CELL BATTERIES.]

Subdivision 1. [PROHIBITION.] A person may not place in mixed municipal solid waste a dry cell battery containing mercuric oxide electrolyte, silver oxide electrolyte, nickel-cadmium, or sealed lead-acid that was purchased for use or used by a government agency, or an industrial, communications, or medical facility.

Subd. 2. [MANUFACTURER RESPONSIBILITY.] (a) A manufacturer of batteries subject to subdivision 1 shall:

(1) ensure that a system for the proper collection, transportation, and

processing of waste batteries exists for purchasers in Minnesota; and

(2) clearly inform each purchaser of the prohibition on disposal of waste batteries and of the system or systems for proper collection, transportation, and processing of waste batteries available to the purchaser.

(b) To ensure that a system for the proper collection, transportation, and processing of waste batteries exists, a manufacturer shall:

(1) identify collectors, transporters, and processors for the waste batteries and contract or otherwise expressly agree with a person or persons for the proper collection, transportation, and processing of the waste batteries; or

(2) accept waste batteries returned to its manufacturing facility.

(c) A manufacturer shall ensure that the cost of proper collection, transportation, and processing of the waste batteries is included in the sales transaction or agreement between the manufacturer and any purchaser.

(d) A manufacturer that has complied with this subdivision is not liable under subdivision 1 for improper disposal by a person other than the manufacturer of waste batteries.

Sec. 2. [325E.125] [GENERAL AND SPECIAL PURPOSE BATTERY REQUIREMENTS.]

Subdivision 1. [IDENTIFICATION.] The manufacturer of a button cell battery that is to be sold in this state must ensure that each battery is clearly identifiable as to the type of electrode used in the battery.

Subd. 2. [MERCURY CONTENT.] (a) A manufacturer may not sell, distribute, or offer for sale in this state an alkaline manganese battery that contains more than 0.025 percent mercury by weight after January 1, 1992.

(b) On application by a manufacturer, the commissioner of the pollution control agency may exempt a specific type of battery from the requirements of paragraph (a) if there is no battery meeting the requirements that can be reasonably substituted for the battery for which the exemption is sought. The manufacturer of a battery exempted by the commissioner under this paragraph is subject to the requirements of section 1, subdivision 2.

Subd. 3. [RECHARGEABLE TOOLS AND APPLIANCES.] (a) A manufacturer may not sell, distribute, or offer for sale in this state a rechargeable consumer product unless:

(1) the battery can be easily removed by the consumer or is contained in a battery pack that is separate from the product and can be easily removed; and

(2) the product and the battery are both labeled in a manner that is clearly visible to the consumer indicating that the battery must be recycled or disposed of properly and the battery must be clearly identifiable as to the type of electrode used in the battery.

(b) "Rechargeable consumer product" as used in this subdivision means a product that is primarily used or purchased to be used for personal, family, or household purposes and is powered by rechargeable batteries.

(c) On application by a manufacturer, the commissioner of the pollution control agency may exempt a rechargeable consumer product from the

requirements of paragraph (a) if:

(1) the product cannot be reasonably redesigned and manufactured to comply with the requirements prior to the effective date of this section;

(2) the redesign of the product to comply with the requirements would result in significant danger to public health and safety; or

(3) the type of electrode used in the battery poses no unreasonable hazards when placed in and processed or disposed of as part of mixed municipal solid waste.

(d) An exemption granted by the commissioner of the pollution control agency under paragraph (c), clause (1), must be limited to a maximum of two years and may be renewed.

Sec. 3. [325E.1251] [PENALTY.]

Violation of section 2 is a misdemeanor. A manufacturer who violates section 2 is also subject to a minimum fine of \$100 per violation.

Sec. 4. [APPLICATION; EFFECTIVE DATES.]

Section 1 is effective August 1, 1990.

Section 2, subdivisions 1 and 2, are effective January 1, 1991, and apply to batteries manufactured on or after that date.

Section 2, subdivision 3, is effective July 1, 1993, and applies to consumer products manufactured on or after that date.

Section 2, subdivision 1, does not prohibit the sale or distribution in this state of alkaline manganese batteries that do not meet the mercury content requirements of section 2, subdivision 2, if the batteries came from retailer's existing stock as of January 1, 1992."

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2141: A bill for an act relating to real property; providing for plat monuments; imposing a penalty; amending Minnesota Statutes 1988, sections 505.02, subdivision 1; and 505.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 505.

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

Page 1, line 25, delete the new language

Page 1, line 26, delete "or will"

Page 2, lines 1 and 2, delete the new language

Pages 2 and 3, delete section 2

Page 3, line 22, delete "willfully" and insert "intentionally"

Page 3, line 25, delete "3" and insert "2" and delete "1989" and insert "1990"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "sections" and insert "section" and delete "and"

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

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

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 2175: A bill for an act relating to crimes; prohibiting wildfire arson; providing criminal penalties and liability for fire suppression costs; proposing coding for new law in Minnesota Statutes, chapter 609.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 609.564, is amended to read:

609.564 [EXCLUDED FIRES.]

A person does not violate section 609.561, 609.562, ~~or~~ 609.563, or section 2 if the person sets a fire pursuant to a validly issued license or permit or with written permission from the fire department of the jurisdiction where the fire occurs.

Sec. 2. [609.5641] [WILDFIRE ARSON.]

Subdivision 1. [SETTING WILDFIRES.] A person is guilty of a felony who intentionally sets a fire to burn out of control on land of another containing timber, underbrush, grass, or other vegetative combustible material.

Subd. 2. [POSSESSION OF FLAMMABLES TO SET WILDFIRES.] A person is guilty of a felony who possesses a flammable, explosive, or incendiary device, substance, or material with intent to use the device, substance, or material to violate subdivision 1.

Subd. 3. [PENALTY; RESTITUTION.] (a) A person who violates subdivision 1 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.

(b) A person who violates subdivision 2 may be sentenced to imprisonment for not more than three years or to payment of a fine of not more than \$5,000, or both.

(c) In addition to the sentence otherwise authorized, the court may order a person who is convicted of violating this section to pay fire suppression costs and damages to the owner of the damaged land.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective August 1, 1990, and apply to crimes committed on or after that date."

Delete the title and insert:

"A bill for an act relating to crimes; prohibiting wildfire arson; providing criminal penalties and liability for fire suppression costs; amending Minnesota Statutes 1988, section 609.564; proposing coding for new law in Minnesota Statutes, chapter 609."

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

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 2478: A bill for an act relating to human services; clarifying medical assistance payment rate procedures for hospitals; allowing case management for certain recipients of medical assistance; amending verification of pregnancy requirements for medical assistance eligibility; clarifying eligibility requirements for medical assistance and general assistance medical care; clarifying asset and income allowances for institutionalized spouses; clarifying services to be covered by medical assistance; establishing requirements for a relative's responsibility; expanding the homestead exclusion for medical assistance eligibility; establishing procedures for a vendor's request for a contested case proceeding; establishing requirements for claims against the estate of a recipient; clarifying procedures for enforcement of medical support; amending Minnesota Statutes 1988, sections 13.46, subdivision 5; 256B.04, subdivision 15; 256B.055, subdivisions 3, 5, and 6; 256B.056, subdivisions 2, 7, and by adding a subdivision; 256B.0625, subdivisions 4, 5, 9, and by adding subdivisions; 256B.15; 256B.19, by adding a subdivision; 256B.69, subdivision 3; 256D.03, subdivision 7; 518.171, subdivisions 1, 3, 4, and 7; Minnesota Statutes 1989 Supplement, sections 256.969, subdivisions 2c and 6a; 256.9695, subdivisions 1 and 3; 256B.055, subdivision 7; 256B.056, subdivisions 3 and 4; 256B.057, subdivisions 1, 2, and by adding subdivisions; 256B.0575; 256B.059, subdivisions 4 and 5; 256B.0595, subdivisions 1, 2, and 4; 256B.14; 256B.69, subdivision 16; 256D.03, subdivisions 3 and 4; 256D.425, subdivision 3; Laws 1989, chapter 282, article 3, section 98, subdivisions 4 and 5; proposing coding for new law in Minnesota Statutes, chapter 256B; repealing Minnesota Statutes 1989 Supplement, section 256B.055, subdivision 8.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Health and Human Services. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1712: A bill for an act relating to human services; renewing the authority for a nursing home to choose to have the commissioner apply the cost limits that apply to facilities in a different geographic group, for purposes of setting the nursing home's payment rates; amending Minnesota Statutes 1989 Supplement, section 256B.431, subdivision 2b.

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

Page 1, after line 9, insert:

"Section 1. Minnesota Statutes 1988, section 256B.0625, is amended by adding a subdivision to read:

Subd. 8a. [OCCUPATIONAL THERAPY.] Medical assistance covers occupational therapy and related services."

Page 5, 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 2, after the semicolon, insert "providing for medical assistance coverage of occupational therapy services;"

Page 1, line 6, after "amending" insert "Minnesota Statutes 1988, section 256B.0625, by adding a subdivision; and"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2164: A bill for an act relating to human services; providing for services for persons with mental retardation in the Willmar catchment area; amending Minnesota Statutes 1989 Supplement, section 252.025, subdivision 4.

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

Page 2, after line 34, insert:

"Sec. 2. Minnesota Statutes 1989 Supplement, section 256B.092, subdivision 7, is amended to read:

Subd. 7. [SCREENING TEAMS ESTABLISHED.] (a) Each county agency shall establish a screening team which, under the direction of the county case manager, shall make an evaluation of need for home and community-based services of persons who are entitled to the level of care provided by an intermediate care facility for persons with mental retardation or related conditions or for whom there is a reasonable indication that they might require the level of care provided by an intermediate care facility. The screening team shall make an evaluation of need within 15 working days of the date that the assessment is completed or within 60 working days of a request for service by a person with mental retardation or related conditions, whichever is the earlier, and within five working days of an emergency admission of an individual to an intermediate care facility for persons with mental retardation or related conditions. The screening team shall consist of the case manager, the client, a parent or guardian, and a qualified mental retardation professional, as defined in the Code of Federal Regulations, title 42, section 483.430, as amended through June 3, 1988. The case manager may also act as the qualified mental retardation professional if the case manager meets the federal definition. County social service agencies may contract with a public or private agency or individual who is not a service provider for the person for the public guardianship representation required by the screening or individual service and habilitation planning process. The contract shall be limited to public guardianship representation for the screening and individual service and habilitation planning activities. The contract shall require compliance with the commissioner's instructions and may be for paid or voluntary services. For individuals determined to have overriding health care needs, a registered nurse must be designated as either the case manager or the qualified mental retardation professional. The case manager shall consult with the client's physician, other health professionals or other persons as necessary to make this evaluation. The case manager, with the concurrence of the client or the client's legal representative, may invite other persons to attend meetings

of the screening team. No member of the screening team shall have any direct or indirect service provider interest in the case.

(b) In addition to the requirements of paragraph (a), the following conditions apply to the discharge of persons with mental retardation or a related condition from a regional treatment center:

(1) For a person under public guardianship, at least two weeks prior to each screening team meeting the case manager must notify in writing parents, near relatives, and the ombudsman established under section 245.92 or a designee, and invite them to attend. The notice to parents and near relatives must include: (i) notice of the provisions of section 252A.03, subdivision 4, regarding assistance to persons interested in assuming private guardianship; (ii) notice of the rights of parents and near relatives to object to a proposed discharge by requesting a review as provided in clause (7); and (iii) information about advocacy services available to assist parents and near relatives of persons with mental retardation or related conditions. In the case of an emergency screening meeting, the notice must be provided as far in advance as practicable.

(2) Prior to the discharge, a screening must be conducted under subdivision 8 and a plan developed under subdivision 1a. For a person under public guardianship, the county shall encourage parents and near relatives to participate in the screening team meeting. The screening team shall consider the opinions of parents and near relatives in making its recommendations. The screening team shall determine that the services outlined in the plan are available in the community before recommending a discharge. The case manager shall provide a copy of the plan to the person, legal representative, parents, near relatives, the ombudsman established under section 245.92, and the protection and advocacy system established under United States Code, title 42, section 6042, at least 30 days prior to the date the proposed discharge is to occur. The information provided to parents and near relatives must include notice of the rights of parents and near relatives to object to a proposed discharge by requesting a review as provided in clause (7). If a discharge occurs, the case manager and a staff person from the regional treatment center from which the person was discharged must conduct a monitoring visit as required in Minnesota Rules, part 9525.0115, within 90 days of discharge and provide an evaluation within 15 days of the visit to the person, legal representative, parents, near relatives, ombudsman, and the protection and advocacy system established under United States Code, title 42, section 6042.

(3) In order for a discharge or transfer from a regional treatment center to be approved, the concurrence of a majority of the screening team members is required. The screening team shall determine that the services outlined in the discharge plan are available and accessible in the community before the person is discharged. The recommendation of the screening team cannot be changed except by subsequent action of the team and is binding on the county and on the commissioner. If the commissioner or the county determines that the decision of the screening team is not in the best interests of the person, the commissioner or the county may seek judicial review of the screening team recommendation. A person or legal representative may appeal under section 256.045, subdivision 3 or 4a.

(4) For persons who have overriding health care needs or behaviors that cause injury to self or others, or cause damage to property that is an immediate threat to the physical safety of the person or others, the following

additional conditions must be met:

(i) For a person with overriding health care needs, either a registered nurse or a licensed physician shall review the proposed community services to assure that the medical needs of the person have been planned for adequately. For purposes of this paragraph, "overriding health care needs" means a medical condition that requires daily clinical monitoring by a licensed registered nurse.

(ii) For a person with behaviors that cause injury to self or others, or cause damage to property that is an immediate threat to the physical safety of the person or others, a qualified mental retardation professional, as defined in paragraph (a), shall review the proposed community services to assure that the behavioral needs of the person have been planned for adequately. The qualified mental retardation professional must have at least one year of experience in the areas of assessment, planning, implementation, and monitoring of individual habilitation plans that have used behavior intervention techniques.

(5) No person with mental retardation or a related condition may be discharged from a regional treatment center before an appropriate community placement is available to receive the person.

(6) *Effective July 1, 1996*, a resident of a regional treatment center may not be discharged to a community intermediate care facility with a licensed capacity of more than 15 beds. *Effective July 1, 1993 1998*, a resident of a regional treatment center may not be discharged to a community intermediate care facility with a licensed capacity of more than ten beds.

(7) If the person, legal representative, parent, or near relative of the person proposed to be discharged from a regional treatment center objects to the proposed discharge, the individual who objects to the discharge may request a review under section 256.045, subdivision 4a, and may request reimbursement as allowed under section 256.045. The person must not be transferred from a regional treatment center while a review or appeal is pending. Within 30 days of the request for a review, the local agency shall conduct a conciliation conference and inform the individual who requested the review in writing of the action the local agency plans to take. The conciliation conference must be conducted in a manner consistent with section 256.045, subdivision 4a. A person, legal representative, parent, or near relative of the person proposed to be discharged who is not satisfied with the results of the conciliation conference may submit to the commissioner a written request for a hearing before a state human services referee under section 256.045, subdivision 4a. The person, legal representative, parent, or near relative of the person proposed to be discharged may appeal the order to the district court of the county responsible for furnishing assistance by serving a written copy of a notice of appeal on the commissioner and any adverse party of record within 30 days after the day the commissioner issued the order and by filing the original notice and proof of service with the court administrator of the district court. Judicial review must proceed under section 256.045, subdivisions 7 to 10. For a person under public guardianship, the ombudsman established under section 245.92 may object to a proposed discharge by requesting a review or hearing or by appealing to district court as provided in this clause. The person must not be transferred from a regional treatment center while a conciliation conference or appeal of the discharge is pending."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "changing the dates for phasing in the prohibition against discharging regional treatment center residents to facilities with more than ten licensed beds;"

Page 1, line 5, delete "section" and insert "sections" and after "4" insert "; and 256B.092, subdivision 7"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1821: A bill for an act relating to nursing; allowing nurse practitioners to prescribe and administer drugs and therapeutic devices; amending Minnesota Statutes 1989 Supplement, section 148.171.

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

Page 2, line 11, strike everything after the period

Page 2, strike lines 12 to 16

Page 2, delete lines 17 to 27

Page 3, after line 15, insert:

"Sec. 2. [148.235] [PRESCRIBING DRUGS AND THERAPEUTIC DEVICES.]

Subdivision 1. [NURSE-MIDWIVES.] A registered nurse who has graduated from a program of study designed to prepare registered nurses for advanced practice as nurse-midwives and who is certified through the national professional nursing organization for nurse-midwives may prescribe and administer drugs and therapeutic devices within practice as a nurse-midwife.

Subd. 2. [NURSE PRACTITIONERS.] (a) [PRESCRIBING AUTHORITY.] A registered nurse who (1) has graduated from a program of study designed to prepare registered nurses for advanced practice as nurse practitioners, (2) is certified through a national professional nursing organization which certifies nurse practitioners and is included in the list of professional nursing organizations adopted by the board under section 62A.15, subdivision 3a, and (3) has a written agreement with a physician based on standards established by the Minnesota nurses association and the Minnesota medical association that defines the delegated responsibilities related to the prescription of drugs and therapeutic devices, may prescribe and administer drugs and therapeutic devices within the scope of the written agreement and within practice as a nurse practitioner.

(b) [RULES.] By July 1, 1991, the board shall promulgate rules to provide for the following:

(1) a system of identifying nurse practitioners eligible to prescribe drugs and therapeutic devices;

(2) a method of determining which general categories of prescription drugs and therapeutic devices have been delegated to each nurse practitioner;

(3) a system of transmitting to pharmacists information concerning nurse practitioners eligible to prescribe drugs and therapeutic devices and the

types of drugs and therapeutic devices they have been delegated the authority to prescribe; and

(4) a fee to the nurse practitioner who seeks prescribing authority in an amount sufficient to cover the board's ongoing costs relating to monitoring and regulating the prescribing authority of nurse practitioners.

(c) [TASK FORCE.] For purposes of adopting rules under this paragraph, the board shall establish and appoint an advisory task force composed of the following nine members:

(1) five nurse practitioners;

(2) two pharmacists; and

(3) two physicians.

Members must be appointed from lists of qualified persons nominated by the appropriate professional associations. The task force shall recommend rules to the board on each of the subjects listed above. No rule relating to the prescribing of drugs and therapeutic devices by nurse practitioners may be proposed by the board unless it was first submitted to the task force for review and comment.

Sec. 3. [INTERIM FILING REQUIREMENT.]

A nurse practitioner may not prescribe or administer drugs or therapeutic devices after August 1, 1990, unless the nurse practitioner satisfies the requirements in section 2, subdivision 2, paragraph (a), and has filed with the board of nursing the nurse practitioner's name, home and business address, home and business telephone number, and other information requested by the board. These filings must be made available to the board of pharmacy for distribution to pharmacies."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "authorizing the board of nursing to adopt rules; establishing an interim filing requirement;"

Page 1, line 5, before the period, insert "; proposing coding for new law in Minnesota Statutes, chapter 148"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1798: A bill for an act relating to health; providing limited prescription privileges for physician assistants; amending Minnesota Statutes 1988, section 151.37, by adding a subdivision.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 151.37, is amended by adding a subdivision to read:

Subd. 2a. A supervising physician, as defined in Minnesota Rules, part 5600.2600, may delegate to a physician assistant, who is registered with the board of medical examiners, certified by the national commission on

certification of physician assistants, and who is under the supervising physician's supervision, the authority to prescribe and administer legend drugs and medical devices, subject to a process of retrospective review by the supervising physician, as established in rule.

Sec. 2. [RULES.]

By June 1, 1991, the commissioner of health shall amend Minnesota Rules, part 5600.2635, to require the agreement between the physician assistant and supervising physician and any alternate supervising physicians to include a statement by the supervising physician regarding delegation or nondelegation of the functions of prescribing and administering of legend drugs and medical devices to the physician assistant. This statement shall include a protocol indicating categories of drugs for which the supervising physician delegates prescriptive authority. This delegation shall be appropriate to the physician assistant's practice and within the scope of the physician assistant's training.

By June 1, 1991, the commissioner of health shall amend Minnesota Rules, part 5600.2615, subpart 2, to include, as an allowed service, the prescription and administration of legend drugs and medical devices as delegated by the supervising physician, subject to retrospective review and the limitations in the supervisory agreement. The commissioner of health shall review whether there are certain categories of drugs for which delegated prescribing is inappropriate.

By June 1, 1991, the commissioner of health shall amend Minnesota Rules, parts 5600.2630 and 5600.2645, to require physician assistants who have been delegated the authority to prescribe and administer legend drugs and medical devices to provide evidence of current certification by the national commission on certification of physician assistants, when registering or reregistering as physician assistants.

By June 1, 1991, the commissioner of health shall adopt rules to require supervising physicians to retrospectively review, on a daily basis, the prescribing and administering of legend drugs and medical devices by physician assistants, when this authority has been delegated to the physician assistant as part of the agreement required by Minnesota Rules, part 5600.2635. During each on-site visit required under Minnesota Rules, part 5600.2620, item C, the supervising physician shall document by signature and date that the prescriptive practice of the physician assistant has been reviewed.

By June 1, 1991, the commissioner of health shall adopt rules to develop:

(1) a system of identifying physician assistants eligible to prescribe drugs and therapeutic devices;

(2) a method of determining the categories of prescription drugs and therapeutic devices that each physician assistant is allowed to prescribe; and

(3) a system of transmitting to pharmacies a listing of physician assistants eligible to prescribe prescription drugs and therapeutic devices and the types of drugs and therapeutic devices they are allowed to prescribe."

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

Mr. Spear from the Committee on Judiciary, to which was referred

H.F. No. 2018: A bill for an act relating to newspapers; changing filing requirements for qualification as a legal newspaper; amending Minnesota Statutes 1988, section 331A.02, subdivision 1.

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

Page 2, line 25, after the semicolon, insert “and”

Page 2, line 26, strike “the newspaper must”

Page 2, line 33, delete the semicolon and insert “, provided that”

Page 2, line 34, delete everything before “a”

Page 2, after line 36, insert:

“Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment.”

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

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

S.F. No. 2126: A bill for an act relating to health; clarifying requirements for water well construction and ownership; amending Minnesota Statutes 1989 Supplement, sections 103I.005, subdivisions 8, 16, and by adding a subdivision; 103I.101, subdivisions 2 and 6; 103I.111, subdivision 5; 103I.205, subdivisions 1, 2, 4, and 8; 103I.208, subdivision 2, and by adding a subdivision; 103I.301, subdivision 3; 103I.325, subdivision 2; 103I.541, subdivision 1, and by adding subdivisions; 103I.681; 103I.685; 103I.691; 103I.705, subdivisions 2 and 3; Laws 1989, chapter 326, article 3, section 49; repealing Minnesota Statutes 1989 Supplement, sections 103I.005, subdivision 19; 103I.211; 103I.301, subdivision 5; 103I.321; 103I.325, subdivision 1; and 103I.533.

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

Page 1, after line 17, insert:

“Section 1. Minnesota Statutes 1989 Supplement, section 103B.3369, subdivision 5, is amended to read:

Subd. 5. [FINANCIAL ASSISTANCE.] The board may award grants to counties only to carry out water resource protection and management programs identified as priorities in comprehensive local water plans. Grants may be used to employ persons and to obtain and use information necessary to:

(1) develop comprehensive local water plans under ~~section sections~~ 110B.04 and 473.8785 that have not received state funding for water resources planning as provided for in Laws 1987, chapter 404, section 30, subdivision 5, clause (a); and

(2) implement comprehensive local water plans.

Sec. 2. Minnesota Statutes 1989 Supplement, section 103I.005, subdivision 2, is amended to read:

Subd. 2. [BORING.] "Boring" means a hole or excavation that is not used to extract water and includes exploratory borings, *and* environmental bore holes, ~~and test holes.~~"

Page 1, line 24, delete "*an excavation*" and insert "*a well or dewatering well*"

Page 1, line 25, after the semicolon, insert "*or*"

Page 1, delete lines 26 to 28

Page 1, line 29, delete "3" and insert "2"

Page 2, line 4, strike "that"

Page 2, after line 11, insert:

"Sec. 5. Minnesota Statutes 1989 Supplement, section 103I.005, subdivision 9, is amended to read:

Subd. 9. [EXPLORATORY BORING.] "Exploratory boring" means a surface drilling done to explore or prospect for oil, natural gas, *kaolin clay*, and metallic minerals, including iron, copper, zinc, lead, gold, silver, titanium, vanadium, nickel, cadmium, molybdenum, chromium, manganese, cobalt, zirconium, beryllium, thorium, uranium, aluminum, platinum, palladium, radium, tantalum, tin, and niobium, and a drilling or boring for petroleum."

Page 3, after line 4, insert:

"Sec. 8. Minnesota Statutes 1989 Supplement, section 103I.101, subdivision 5, is amended to read:

Subd. 5. [COMMISSIONER TO ADOPT RULES.] The commissioner shall adopt rules including:

(1) issuance of licenses for:

(i) qualified well contractors, persons modifying or repairing well casings, well screens, or well diameters;

(ii) persons constructing unconventional wells such as drive points or dug wells;

(iii) *persons constructing, repairing, and sealing dewatering wells;*

(iv) persons sealing wells; and

~~(iv)~~ (v) persons installing well pumps or pumping equipment and excavating holes for installing elevator shafts or hydraulic cylinders;

(2) issuance of registration for monitoring well contractors;

(3) establishment of conditions for examination and review of applications for license and registration;

(4) establishment of conditions for revocation and suspension of license and registration;

(5) establishment of minimum standards for design, location, construction, repair, and sealing of wells to implement the purpose and intent of this chapter;

- (6) establishment of a system for reporting on wells drilled and sealed;
- (7) modification of fees prescribed in this chapter, according to the procedures for setting fees in section 16A.128;
- (8) establishment of standards for the construction, maintenance, sealing, and water quality monitoring of wells in areas of known or suspected contamination, for which the commissioner may adopt emergency rules;
- (9) establishment of wellhead protection measures for wells serving public water supplies;
- (10) establishment of procedures to coordinate collection of well data with other state and local governmental agencies; and
- (11) establishment of criteria and procedures for submission of well logs, formation samples or well cuttings, water samples, or other special information required for geologic and water resource mapping.”

Page 3, after line 13, insert:

“Sec. 10. Minnesota Statutes 1989 Supplement, section 103I.111, is amended by adding a subdivision to read:

Subd. 2a. [FEES.] A board of health under a delegation agreement with the commissioner may charge permit and notification fees in excess of the fees specified in section 103I.208 if the fees do not exceed the total direct and indirect costs to administer the delegated duties.”

Page 3, after line 27, insert:

“Sec. 12. [103I.112] [FEE EXEMPTIONS FOR STATE AND LOCAL GOVERNMENT.]

(a) The commissioner may not charge fees required under this chapter to a state agency or a local unit of government or to a subcontractor performing work for the state agency or local unit of government.

(b) “Local unit of government” means a statutory or home rule charter city, town, county, or soil and water conservation district, watershed district, an organization formed for the joint exercise of powers under section 471.59, a local health board, or other special purpose district or authority with local jurisdiction in water and related land resources management.”

Page 4, line 3, after “owner” insert “, the property owner’s agent, or the well contractor”

Page 4, lines 9 to 11, delete the new language and insert “A person who is an individual that constructs a drive point well on property owned or leased by the individual for farming or agricultural purposes or as the individual’s place of abode”

Page 4, line 12, strike “owner” and insert “person”

Page 7, delete section 12 and insert:

“Sec. 18. Minnesota Statutes 1989 Supplement, section 103I.235, is amended to read:

103I.235 [SALE OF PROPERTY WHERE WELLS ARE LOCATED.]

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 the location of all

known wells on the property, ~~including 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 the quartile, section, township, range, and county, and a map drawn from available information showing the location of the wells 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 and the quartile, section, township, and range in which each well is located must be provided on a well certificate signed by the seller of the property or a person authorized to act on behalf of the seller. A well 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."

(c) If a the seller fails to provide a required well certificate, a the buyer, or a person authorized to act on behalf of the buyer, may sign a well certificate based on the information provided on the disclosure statement required by this section or based on other available information.

(d) A county recorder or registrar of titles may not record a deed, or other instrument, or writing of conveyance dated after October 31, 1990, for which a certificate of value is required under section 272.115, or any deed or contract for deed 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 either contains the statement "The Seller certifies that the Seller does not know of any wells on the described real property," or is accompanied by the well certificate required by this subdivision is filed with the county recorder or registrar of titles and the filing fee paid under section 357.18. The county recorder or registrar of titles shall note on each deed or other instrument of conveyance accompanied by a well certificate that the well certificate was received. The well certificate shall not be filed or recorded in the records maintained by the county recorder or registrar of titles. The county recorder or registrar of titles shall transmit the well certificate to the commissioner of health within 15 days after receiving the well certificate.

(e) The commissioner in consultation with county recorders shall prescribe the form for a well certificate and provide well certificate forms to county recorders and registrars of titles and other interested persons.

(f) 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.

Subd. 2. [LIABILITY FOR FAILURE TO DISCLOSE.] Unless the buyer and seller agree to the contrary, in writing, before the closing of the sale, a seller who fails to disclose the existence of a well at the time of sale and knew of or had reason to know of the existence of a the well, is liable to the buyer for costs and reasonable attorney fees relating to the sealing of a the well, if the action must be is commenced by the buyer within six

years after the date the buyer ~~purchased~~ *closed the purchase of the real property where the well is located.*"

Page 8, after line 1, insert:

"Sec. 20. Minnesota Statutes 1989 Supplement, section 103I.311, subdivision 3, is amended to read:

Subd. 3. [PROHIBITION ON STATE LAND PURCHASED WITHOUT WELL IDENTIFICATION.] The state may not purchase or sell real property or an interest in real property without identifying the location of all wells *on the property*, whether in use, not in use, or sealed ~~on the property~~, and making provisions to have the wells not in use properly sealed at the cost of the seller as part of the contract. *The deed or other instrument of conveyance evidencing the sale may not be recorded with the county recorder or registrar of titles unless this subdivision is complied with. 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."

Page 8, after line 12, insert:

"Sec. 22. Minnesota Statutes 1989 Supplement, section 103I.525, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION.] (a) A person must file an application and application fee with the commissioner to apply for a well contractor's license.

(b) The application must state the applicant's qualifications for the license, the equipment the applicant will use in the contracting, and other information required by the commissioner. The application must be on forms prescribed by the commissioner.

(c) A person may apply as an individual if the person:

(1) is not the licensed well contractor representing a firm, partnership, association, corporation, or other entity including the United States government, any interstate body, the state and agency, department or political subdivision of the state; and

(2) meets the well contractor license requirements under this chapter and Minnesota Rules, chapter 4725.

Sec. 23. Minnesota Statutes 1989 Supplement, section 103I.525, subdivision 5, is amended to read:

Subd. 5. [BOND.] (a) As a condition of being issued a well contractor's license, the applicant, *except a person applying for an individual well contractor's license*, must submit a corporate surety bond for \$10,000 approved by the commissioner. The bond must be conditioned to pay the state on unlawful performance of work regulated by this chapter in this state. The bond is in lieu of other license bonds required by a political subdivision of the state.

(b) From proceeds of the bond, the commissioner may compensate persons injured or suffering financial loss because of a failure of the applicant

to properly perform work or duties.

Sec. 24. Minnesota Statutes 1989 Supplement, section 1031.525, subdivision 6, is amended to read:

Subd. 6. [LICENSE FEE.] The fee for a well contractor's license is \$250, *except the fee for an individual well contractor's license is \$50.*"

Page 13, after line 27, insert:

"Sec. 33. Minnesota Statutes 1988, section 105.37, is amended by adding a subdivision to read:

Subd. 19. [ONCE-THROUGH SYSTEM.] "Once-through system" means a heating, ventilating, air conditioning, or refrigeration system used for any type of temperature or humidity control application, utilizing ground-water, that circulates through the system and is then discharged without recirculating the majority of the water, in the system components.

Sec. 34. Minnesota Statutes 1989 Supplement, section 105.41, subdivision 1c, is amended to read:

Subd. 1c. [CERTAIN COOLING SYSTEM PERMITS PROHIBITED PROHIBITION ON ONCE-THROUGH WATER USE PERMITS.] (a) The commissioner may not, *after December 31, 1990*, issue a water use permit to increase the volume of appropriation from a groundwater source for a once-through cooling system using in excess of five million gallons annually.

~~(b) For purposes of this subdivision, a once-through cooling system means a cooling or heating system for human comfort that draws a continuous stream of water from a groundwater source to remove or add heat for cooling, heating, or refrigeration. Once-through system water use permits using in excess of five million gallons annually, must be terminated by the commissioner by the end of their design life but not later than December 31, 2010. Existing once-through systems are required to convert to water efficient alternatives within the design life of existing equipment. The commissioner shall prescribe rules defining the design life for systems for existing permits and report to the legislative water commission before adoption. Permits may not be terminated before rules are adopted under this subdivision.~~

Sec. 35. Minnesota Statutes 1988, section 105.41, is amended by adding a subdivision to read:

Subd. 1d. [MT. SIMON-HINCKLEY AQUIFER.] (a) The commissioner may not issue new water use permits that will appropriate water from the Mt. Simon-Hinckley aquifer within the seven county metropolitan area unless the appropriation is for potable water use, there are no feasible or practical alternatives to this source, and a water conservation plan is incorporated with the permit.

(b) The commissioner shall terminate all permits authorizing appropriation and use of water from the Mt. Simon-Hinckley aquifer for once-through systems in the seven county metropolitan area by December 31, 1992.

Sec. 36. Minnesota Statutes 1988, section 105.41, subdivision 4, is amended to read:

Subd. 4. [MEASURING AND RECORDING QUANTITIES USED.] It is unlawful for the state, a person, partnership, or association, private or

public corporation, county, municipality, or other political subdivision of the state to appropriate or use waters of the state, surface or underground, without measuring and keeping a record of the quantity of water used or appropriated as provided in this section. Each installation for appropriating or using water must be equipped with a ~~device or employ a method~~ flow meter to measure the quantity of water appropriated ~~with reasonable accuracy within the degree of accuracy required by rule.~~ The ~~commissioner's determination of the method~~ commissioner can determine other methods to be used for measuring water quantity ~~must be~~ based on the quantity of water appropriated or used, the source of water, the method of appropriating or using water, and any other facts supplied to the commissioner.

Sec. 37. Minnesota Statutes 1989 Supplement, section 105.41, subdivision 5a, is amended to read:

Subd. 5a. [WATER USE PROCESSING FEE.] (a) Except as provided in paragraph (b), a water use processing fee not to exceed \$2,000 must be prescribed by the commissioner in accordance with the following schedule of fees for each water use permit in force at any time during the year:

(1) 0.05 cent per 1,000 gallons for the first 50 million gallons per year; and

(2) 0.1 cents per 1,000 gallons for the amounts greater than 50 million gallons per year.

(b) For once-through cooling systems as defined in subdivision 1c, a water use processing fee must be prescribed by the commissioner in accordance with the following schedule of fees for each water use permit in force at any time during the year:

(1) 5.0 cents per 1,000 gallons until December 31, 1991;

(2) 10.0 cents for 1,000 gallons from January 1, 1992, until December 31, 1996; and

(3) 15.0 cents per 1,000 gallons after January 1, 1997.

(c) The fee is payable based on *the amount of water appropriated during the year or the amount of water permitted during the year authorized by permit, whichever is greater*, and in no case may the fee be less than \$25. *The commissioner shall notify all permittees of the fee changes authorized by this law by July 1, 1990. Permittees shall have until November 1, 1990, to amend permits to accurately reflect historic water use. The commissioner is authorized to refund 1989 water use report processing fees based on amendments under this subdivision.*

(d) Failure to pay the fee is sufficient cause for revoking a permit. *A fee may not be imposed on any state agency, as defined in section 16B.01, or federal governmental agency holding a water appropriation permit."*

Page 14, after line 9, insert:

"Sec. 39. [COMMISSION INVESTIGATION.]

The legislative water commission shall investigate the needs and feasibility of allowing state bonding for conversion of systems operated by nonprofit entities.

Sec. 40. [DELEGATION AGREEMENTS.]

Notwithstanding the provisions of Minnesota Statutes, chapter 1031, a

delegation agreement between the commissioner and a board of health executed prior to the effective date of this chapter shall remain in full force and effect until December 31, 1991."

Page 14, line 13, delete "; and 103I.533"

Page 14, line 15, delete "22, and 24" and insert "37 and 39 to 41"

Page 14, line 16, delete "23" and insert "38"

Page 14, after line 17, insert:

"Section 3 is effective the day following final enactment except that dewatering wells may operate down to 45 feet without permits or permit fees required by Minnesota Statutes, chapter 103I, until June 30, 1992."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "amending" insert "Minnesota Statutes 1988, sections 105.37, by adding a subdivision; 105.41, subdivision 4, and by adding a subdivision;"

Page 1, line 4, after "sections" insert "103B.3369, subdivision 5;"

Page 1, line 5, delete "8" and insert "2, 8, 9"

Page 1, line 6, after "2" insert ", 5,"

Page 1, line 8, delete ", and by adding a subdivision" and after the semicolon, insert "103I.235;"

Page 1, line 9, after the first semicolon, insert "103I.311, subdivision 3;" and after "2;" insert "103I.525, subdivisions 1, 5, and 6;"

Page 1, line 11, after "3;" insert "105.41, subdivisions 1c and 5a;"

Page 1, line 12, after "49;" insert "proposing coding for new law in Minnesota Statutes, chapter 103I;"

Page 1, line 15, after the second semicolon, insert "and" and after "1" delete "; and" and insert a period

Page 1, delete line 16

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

Mr. Purfeerst from the Committee on Transportation, to which was re-referred

S.F. No. 1896: A bill for an act relating to health; providing exemptions from the infectious waste control act; requiring hospitals to accept certain infectious waste; modifying standards for ambulance drivers; requiring adoption of rules setting new standards for recertification of and upgrading to emergency care course certificates; increasing reimbursement for volunteers; authorizing an emergency medical services advisory committee; exempting ambulances from vehicle license fees, registration, and excise taxes; regulating the provision of special transportation services; providing a tax credit; requiring studies; increasing medical assistance rates for ambulance services; creating a loan forgiveness program for medical students; providing nursing scholarships; creating a loan forgiveness program

for advanced practice nurses; providing funding for summer medical interns; encouraging rural medical school applicants; requiring a study of medical assistance reimbursement for physicians; increasing participation in the rural physicians associates program; creating a rural hospital planning and transition grant program; creating a rural hospital subsidy fund; requiring a study of rural health professionals; allowing counties authority to exceed levy limits; appropriating money and increasing the complement; amending Minnesota Statutes 1989 Supplement, sections 116.76, subdivision 9; 116.78, by adding subdivisions; 144.804, subdivisions 1 and 7; 144.809; 144.8091; 168.012, subdivision 1; 168.013, subdivision 1a; and 297B.03; Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 136A; 144; 147; 174; and 290.

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 2400: A bill for an act relating to traffic regulations; establishing penalties for driving past railroad crossing warning devices; providing for instruction in railroad crossing safety at driver improvement clinics; establishing standards and procedures for closing a railroad crossing; stipulating the adequacy of crossing devices; imposing penalties; amending Minnesota Statutes 1988, sections 169.26; and 169.973, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 219; repealing Minnesota Statutes 1988, sections 219.27 and 219.28; and Minnesota Statutes 1989 Supplement, section 219.072.

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

Page 1, line 19, strike "and a clearly"

Page 1, strike line 20

Page 1, line 21, strike the old language

Page 1, line 22, delete "*section*" and insert "*paragraph*"

Page 1, lines 28 and 29, delete "*or when a human flagger signals the*" and insert "*warning of the immediate*" and after the semicolon, insert "*or*"

Page 2, delete lines 1 to 4

Page 2, line 5, delete "(4)" and insert "(3)"

Page 2, line 9, reinstate the stricken "human"

Page 2, lines 35 and 36, delete "ESTABLISHMENT; VACATION; CONSOLIDATION; AND SEPARATION OF" and insert "COMMISSIONER'S RULES ON"

Page 3, line 1, delete "*Subdivision 1. [COMMISSIONER'S RULES.]*"

Page 3, line 3, after "1991," insert "*that contain standards*" and after "*vacation,*" insert "*relocation,*"

Page 3, line 4, after "*of*" insert "*grades at*" and delete the second "*and*"

Page 3, line 5, delete everything before the period

Page 3, line 7, delete "*Minnesota*" and insert "*this state*"

Page 3, after line 9, insert:

“Sec. 4. [219.074] [GRADE CROSSING CHANGES.]”

Page 3, line 10, delete everything before “Public” and insert:

“Subdivision 1. [AGREEMENTS; HEARING.]”

Page 3, lines 12 and 13, delete “establish, vacate, consolidate, or separate” and insert “the establishment, vacation, relocation, consolidation, or separation of grades at”

Page 3, line 19, delete “subdivision 1” and insert “section 3” and after the period, insert “The commissioner may also bring matters concerning vacation, relocation, consolidation, or separation of grades at public grade crossings to the board for determination. If the board determines that the vacation, relocation, consolidation, or separation is consistent with the standards adopted under section 3, the board may order the crossing vacated, relocated, consolidated, or separated.”

Page 3, line 20, delete “CROSSING-CLOSING” and insert “CROSSING VACATION”

Page 3, line 21, after “years,” insert “and as necessary afterward,”

Page 3, line 22, delete “at least”

Page 3, line 23, delete “50” and delete “closed” and insert “vacated”

Page 3, line 24, delete “criteria” and insert “standards”

Page 3, line 25, delete “subdivision 1” and insert “section 3”

Page 3, line 27, delete “of 50 grade crossings”

Page 3, line 30, delete “closings” and insert “vacations”

Page 3, line 33, delete “subdivision 1” and insert “section 3” and after the period, insert “If after the hearing the board determines that the vacation is consistent with the standards adopted under section 3, it may order the crossing vacated.”

Page 3, line 35, delete “closed” and insert “vacated”

Page 4, lines 2 and 3, delete “Minnesota Statutes 1989 Supplement, section 219.072, is repealed.”

Page 4, delete lines 5 to 8 and insert:

“Section 1 is effective August 1, 1990. Sections 2 and 3 are effective the day following final enactment. Sections 4 and 5 are effective December 1, 1991.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after “devices” insert “and flaggers”

Page 1, lines 7 and 8, delete “stipulating the adequacy of crossing devices;”

Page 1, lines 12 and 13, delete “; and Minnesota Statutes 1989 Supplement, section 219.072”

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1800: A bill for an act relating to courts; providing for a pilot project in Clay county using mediation services for child custody and visitation issues; appropriating money.

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

Page 1, line 11, after the period, insert "*The pilot project is subject to Minnesota Statutes, section 518.619.*"

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

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

H.F. No. 1569 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1569	1420				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1569 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1569 and insert the language after the enacting clause of S.F. No. 1420, the first engrossment; further, delete the title of H.F. No. 1569 and insert the title of S.F. No. 1420, the first engrossment.

And when so amended H.F. No. 1569 will be identical to S.F. No. 1420, and further recommends that H.F. No. 1569 be given its second reading and substituted for S.F. No. 1420, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 1984 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1984	2110				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1984 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1984 and insert the language after the enacting clause of S.F. No. 2110, the first engrossment; further, delete the title of H.F. No. 1984 and insert the title of S.F. No. 2110, the first engrossment.

And when so amended H.F. No. 1984 will be identical to S.F. No. 2110, and further recommends that H.F. No. 1984 be given its second reading and substituted for S.F. No. 2110, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 2058 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2058	1926				

and that the above Senate File be indefinitely postponed.

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

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

H.F. No. 2188 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2188	1979				

and that the above Senate File be indefinitely postponed.

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred the following appointment as reported in the Journal for February 12, 1990:

**DEPARTMENT OF HUMAN SERVICES
COMMISSIONER**

Ann Wynia

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

SECOND READING OF SENATE BILLS

S.F. Nos. 2314, 2549, 1942, 1923, 2012, 2108, 2310, 1784, 2141, 2175 and 1821 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 1985, 2018, 1569, 1984, 2058 and 2188 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Solon moved that the name of Mr. Merriam be added as a co-author to S.F. No. 2347. The motion prevailed.

Mr. Marty moved that the name of Mr. Spear be added as a co-author to S.F. No. 2391. The motion prevailed.

Mr. Bertram introduced—

Senate Resolution No. 162: A Senate resolution commending Dick Doss for his hard work and accomplishments while serving as Public Relations Officer at the VA Medical Center at St. Cloud, Minnesota.

Referred to the Committee on Rules and Administration.

Mr. Ramstad and Ms. Olson introduced—

Senate Resolution No. 163: A Senate resolution congratulating Dr. Donald Draayer, of Minnetonka, for being named 1990 National Superintendent of the Year.

Referred to the Committee on Rules and Administration.

Mr. Stumpf introduced—

Senate Resolution No. 164: A Senate resolution congratulating the Roseau High School Hockey Team for winning the 1990 State High School Hockey Tournament.

Referred to the Committee on Rules and Administration.

Ms. Reichgott moved that her name be stricken as a co-author to S.F. No. 1849. The motion prevailed.

Mr. Diessner moved that the name of Mr. Gustafson be added as a co-author to S.F. No. 1869. The motion prevailed.

CALENDAR

S.F. No. 488: A bill for an act relating to public employment; defining equitable compensation relationships; requiring an implementation report; providing for review of plans; providing for appeals from decisions of the commissioner of employee relations; requiring the commissioner to report to the legislature; amending Minnesota Statutes 1988, sections 471.991, subdivision 5; 471.992, subdivisions 1, 2, and by adding a subdivision; 471.994; 471.998, by adding a subdivision; 471.9981, subdivision 6, and by adding subdivisions; and 471.999; Minnesota Statutes 1989 Supplement, section 485.018, subdivision 7; repealing Minnesota Statutes 1988, sections 471.992, subdivision 3; 471.995; 471.996; 471.9975; and 471.9981, subdivisions 2 to 5.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 13, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Metzen	Purfeerst
Anderson	Dicklich	Kroening	Moe, D.M.	Ramstad
Beckman	Diessner	Laidig	Moe, R.D.	Reichgott
Benson	Flynn	Langseth	Morse	Samuelson
Berglin	Frank	Lantry	Novak	Solon
Bernhagen	Frederickson, D.J.	Lessard	Olson	Spear
Brandl	Frederickson, D.R.	Luther	Pariseau	Storm
Brataas	Freeman	Marty	Pehler	Vickerman
Chmielewski	Hughes	McGowan	Piepho	Waldorf
Cohen	Johnson, D.E.	McQuaid	Piper	
Decker	Johnson, D.J.	Mehrkens	Pogemiller	

Those who voted in the negative were:

Belanger	Dahl	Knutson	Peterson, R.W.	Stumpf
Berg	Davis	Larson	Renneke	
Bertram	Frederick	Merriam	Schmitz	

So the bill passed and its title was agreed to.

GENERAL ORDERS

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

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

S.F. Nos. 1686, 1886, 1870, 1729 and H.F. No. 2143, which the committee recommends to pass.

H.F. No. 1555, which the committee recommends to pass, subject to the following motion:

Mr. Peterson, R.W. moved that the amendment made to H.F. No. 1555 by the Committee on Rules and Administration in the report adopted March 14, 1990, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

S.F. No. 1752, which the committee recommends to pass with the following amendment offered by Mr. Pehler:

Page 1, line 16, delete "only"

Page 1, line 17, after "health," insert "or" and after "welfare" delete the comma

Page 1, line 18, delete "comfort, or convenience"

Page 1, lines 25 and 26, reinstate the stricken language

Page 2, line 1, delete "not reduce the level of" and after "health," insert "or" and after "welfare" delete the comma

Page 2, line 2, delete "comfort, or convenience"

Page 2, line 16, after "health," insert "or" and delete everything after "welfare"

Page 2, line 17, delete "convenience"

The motion prevailed. So the amendment was adopted.

S.F. No. 1698, which the committee recommends to pass with the following amendment offered by Ms. Berglin:

Page 3, line 9, delete "130-bed" and insert "hospital or hospitals with a combined licensed capacity of 130 beds" and delete "hospital"

Page 3, line 15, after "beds" insert ", or the combined licensed capacity of the hospitals, whichever is less"

The motion prevailed. So the amendment was adopted.

S.F. No. 2048, which the committee recommends to pass with the following amendment offered by Mr. Laidig:

Page 1, line 20, delete "Violation of" and insert "Conduct that violates"

Page 1, line 21, after the second "crime" insert "under chapter 609"

The motion prevailed. So the amendment was adopted.

S.F. No. 1670, which the committee reports progress, subject to the following motion:

Mr. Luther moved to amend S.F. No. 1670 as follows:

Page 1, line 13, delete everything after the second comma

Page 1, delete line 14

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

Pages 1 and 2, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 1988, section 361.03, is amended by adding a subdivision to read:

Subd. 11a. [SUSPENSION FOR NOT REMOVING EURASIAN 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 refuses to comply with an order of a conservation officer or other licensed peace officer to remove Eurasian water milfoil, myriophyllum spicatum, from the watercraft or its trailer or other device used to transport the watercraft*

or place it in water."

The motion prevailed. So the amendment was adopted.

S.F. No. 1670 was then progressed.

S.F. No. 1675, which the committee reports progress, subject to the following motions:

Mr. Berg moved to amend S.F. No. 1675 as follows:

Page 2, delete lines 22 and 23 and insert "*or Leech Lake Band members, that is conducted consistent with state policies, laws, and regulations relating to aquiculture.*"

The motion prevailed. So the amendment was adopted.

Mr. Merriam moved to amend S.F. No. 1675 as follows:

Page 2, delete section 3

Renumber the sections in sequence

Amend the title accordingly

The question was taken on the adoption of the amendment.

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

Those who voted in the affirmative were:

Adkins	DeCramer	Knutson	Morse	Reichgott
Beckman	Dicklich	Kroening	Novak	Samuelson
Benson	Flynn	Lantry	Olson	Schmitz
Berglin	Frank	Luther	Pariseau	Solon
Brandl	Freeman	Marty	Pehler	Spear
Brataas	Gustafson	McGowan	Peterson, R. W.	Waldorf
Chmielewski	Hughes	McQuaid	Piper	
Cohen	Johnson, D.E.	Merriam	Pogemiller	
Dahl	Johnson, D.J.	Metzen	Purfeerst	
Decker	Knaak	Moe, R.D.	Ramstad	

Those who voted in the negative were:

Anderson	Davis	Frederickson, D.R.	Lessard	Storm
Belanger	Diessner	Laidig	Mehrkens	Stumpf
Berg	Frederick	Langseth	Piepho	Vickerman
Bertram	Frederickson, D.J.	Larson	Renneke	

The motion prevailed. So the amendment was adopted.

S.F. No. 1675 was then progressed.

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

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Lessard introduced—

S.F. No. 2585: A bill for an act relating to municipalities; exempting tort liability for forest areas; amending Minnesota Statutes 1988, section 466.03, subdivision 6e.

Referred to the Committee on Judiciary.

Ms. Berglin introduced—

S.F. No. 2586: A bill for an act relating to public capital facilities; authorizing the issuance of state bonds; appropriating money.

Referred to the Committee on Finance.

Ms. Berglin introduced—

S.F. No. 2587: A bill for an act relating to public capital facilities; authorizing the issuance of state bonds; appropriating money.

Referred to the Committee on Finance.

Mr. Diessner introduced—

S.F. No. 2588: A bill for an act relating to taxation; property; requiring Washington county to mail proposed property tax notices for each parcel.

Referred to the Committee on Taxes and Tax Laws.

Mr. Renneke introduced—

S.F. No. 2589: A bill for an act relating to agriculture; requiring the commissioner of agriculture to conduct an election of dairy producers to determine continuation of the dairy research and promotion order.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Morse, Bernhagen, Davis and Stumpf introduced—

S.F. No. 2590: A bill for an act relating to taxation; providing a special levy for counties to implement comprehensive water plans; amending Minnesota Statutes Second 1989 Supplement, sections 103B.3369, subdivisions 5 and 7; and 275.50, subdivision 5.

Referred to the Committee on Taxes and Tax Laws.

Mr. Storm introduced—

S.F. No. 2591: A bill for an act relating to taxation; property; repealing local government levy limitations; amending Minnesota Statutes 1988, sections 6.62, subdivision 1; 18.023, subdivision 8; 38.27, subdivision 3; 110B.15, subdivision 4; 115.34, subdivision 1; 129A.06, subdivision 2; 134.34, subdivision 5; 145A.08, subdivision 3; 164.041; 273.123, subdivision 7; 275.14; 275.15; 275.16; 275.57; 298.28, subdivision 12; 298.282, subdivisions 2 and 3; 298.39; 298.396; 353A.10, subdivision 3; 360.037, subdivision 2; 375.167, subdivision 1; 412.251; 414.01, subdivision 15; 423.376, subdivision 3; 426.04; 444.075, subdivision 4; 447.34, subdivision 1; 447.35; 465.73; 469.107, subdivision 1; 471.1921; 471.572, subdivision 2; 471.74, subdivision 2; 471A.03, subdivision 4; 473.87; 473.882, subdivision 3; 473F08, subdivision 3a; 475.74; and 475.754; repealing Minnesota Statutes 1988, sections 134.34, subdivision 6; 275.11; 275.50; 275.51; 275.54; 275.55; 275.56; 275.561; 275.58; and 471A.04.

Referred to the Committee on Taxes and Tax Laws.

Mr. Brandl introduced—

S.F. No. 2592: A bill for an act relating to human services; requiring adoption of rules relating to payment rates for intermediate care facilities for persons with mental retardation or related conditions; repealing Minnesota Rules, part 9553.0020, subparts 22 and 43.

Referred to the Committee on Health and Human Services.

Ms. Berglin introduced—

S.F. No. 2593: A bill for an act relating to taxation; modifying the metropolitan revenue distribution program; creating a crime and social services disparities fund; amending Minnesota Statutes 1988, sections 299C.18; 473F07, by adding subdivisions; and 473F08, subdivision 7a; Minnesota Statutes 1989 Supplement, section 473F07, subdivision 4; Minnesota Statutes Second 1989 Supplement, section 473F08, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 473F

Referred to the Committee on Taxes and Tax Laws.

Without objection, the Senate reverted to the Orders of Business of Reports of Committees, Second Readings of Senate Bills and Motions and Resolutions.

REPORTS OF COMMITTEES

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S.F. No. 1790: A bill for an act relating to health; establishing a legislative task force to study the regulation of health insurance premium rates and health care costs.

Reports the same back with the recommendation that the report from the Committee on Commerce, shown in the Journal for March 12, 1990, be amended to read:

“the bill be amended and when so amended the bill do pass and be referred to the Committee on Rules and Administration”. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S.F. No. 1952: A bill for an act relating to health; eliminating the office of social work and mental health boards; modifying the duties of the board of unlicensed mental health service providers; requiring all mental health service providers to file with the board; amending Minnesota Statutes 1988, sections 148B.01, subdivision 7; 148B.07; 148B.41, subdivision 1; 148B.42, subdivision 2, and by adding a subdivision; 148B.43; and 148B.46, subdivision 1; Minnesota Statutes 1989 Supplement, sections 148B.17; 148B.40, subdivision 3; and 148B.42, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 148B; repealing Minnesota Statutes 1988,

sections 148B.01, subdivision 2; 148B.02; and 148B.171.

Reports the same back with the recommendation that the report from the Committee on Health and Human Services, shown in the Journal for March 12, 1990, be adopted; that committee recommendation being:

“the bill be amended and when so amended the bill do pass”. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S.F. No. 2395: A bill for an act relating to unemployment compensation; making various technical changes; regulating eligibility of conservation corps members and entertainers; increasing the income disregard; regulating eligibility for persons receiving holiday pay; regulating administrative hearings; providing for data sharing; appropriating certain federal money; amending Minnesota Statutes 1988, sections 268.08, subdivision 3; 268.10, subdivision 9; and 268.12, subdivision 13; Minnesota Statutes 1989 Supplement, sections 84.965, subdivision 2; 84.98, subdivision 5; 268.04, subdivision 12; 268.07, subdivision 2; 268.12, subdivision 12; 270B.14, subdivisions 2 and 8; and 290.92, subdivision 21.

Reports the same back with the recommendation that the report from the Committee on Employment, shown in the Journal for March 12, 1990, be amended to read:

“the bill be amended and when so amended the bill do pass and be referred to the Committee on Judiciary”. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S.F. No. 1653: A bill for an act relating to tax administration; recodifying and providing for the administration of certain taxes; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 270.06; 270.07, subdivision 1, and by adding a subdivision; 270.65; 270.67, subdivision 2; 270.68, subdivisions 1 and 3; 270.69, subdivisions 2, 3, 7, 8, and by adding a subdivision; 270.70, subdivisions 1 and 2; 270.73, subdivision 1; 290.05, subdivision 4; 290.92, subdivisions 6a, 15, 23, and 24; 290A.07, subdivisions 2a and 3; 290A.19; 291.09, subdivision 3a; 296.18, subdivisions 2 and 3; 296.25; 297A.03, subdivision 2; 297A.041; 297A.17; 297A.18; and 297A.211, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 270; proposing coding for new law as Minnesota Statutes, chapter 289A; repealing Minnesota Statutes 1988, sections 270.08; 270.10, subdivision 4; 270.651; 270.77; 271.061; 290.05, subdivision 5; 290.067, subdivision 5; 290.281, subdivision 5; 290.29; 290.37; 290.38; 290.39; 290.391; 290.40; 290.41; 290.42; 290.43; 290.44; 290.45; 290.46; 290.47; 290.49; 290.50, as amended; 290.52; 290.521; 290.522; 290.523; 290.53, subdivisions 1, 1a, 2, 2a, 3, 3a, 4, 5, 7, 8, 9, 10, and 11; 290.54; 290.56; 290.57; 290.58; 290.59; 290.65; 290.92, subdivisions 6, 7, 8, 11, 13, 14, and 15; 290.923, subdivision 7; 290.93; 290.931; 290.932; 290.933; 290.934; 290.935; 290.936; 290.974; 290A.06; 290A.11, subdivisions 1, 1a, 2, 3, and 4; 290A.111; 290A.112; 290A.12;

291.09, subdivisions 1a, 2a, 4a, 6, and 7; 291.11; 291.131; 291.14; 291.15, subdivisions 1 and 3; 291.215, subdivisions 2 and 3; 291.31, subdivisions 1 and 2; 291.32; 296.027; 296.16, subdivision 3; 296.17, subdivision 13; 296.18, subdivisions 3a and 7; 296.24; 297A.08; 297A.121; 297A.15, subdivision 3; 297A.20; 297A.26; 297A.27; 297A.275; 297A.29; 297A.30; 297A.31; 297A.32; 297A.33, subdivisions 1, 3, 4, and 5; 297A.34; 297A.35; 297A.39, subdivisions 1, 2, 2a, 3, 4, 5, 7, and 8; 297A.40; 297A.41; 297A.42; and 297A.44, subdivision 2.

Reports the same back with the recommendation that the report from the Committee on Judiciary, shown in the Journal for March 14, 1990, be adopted; that committee recommendation being:

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon.

S.F. No. 2236: A bill for an act relating to the environment; changing the requirements for management plans; directing the commissioner of health to refund fees; amending Minnesota Statutes 1989 Supplement, sections 116.76, subdivision 8, and by adding a subdivision; 116.77; and 116.79, subdivisions 1 and 3.

Reports the same back with the recommendation that the report from the Committee on Environment and Natural Resources, shown in the Journal for March 14, 1990, be adopted; that committee recommendation being:

“the bill be amended and when so amended the bill do pass”. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1952 and 2236 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Chmielewski moved that the name of Mr. Stumpf be added as a co-author to S.F. No. 2395. The motion prevailed.

Mr. Pogemiller moved that S.F. No. 1950 be withdrawn from the Committee on Finance and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Mr. Piepho moved that S.F. No. 2366, No. 74 on General Orders, be stricken and returned to its author. The motion prevailed.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, March 19, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTY-SECOND DAY

St. Paul, Minnesota, Monday, March 19, 1990

The Senate met at 11:00 a.m. and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Rosanna Walker.

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

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

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Spear
Berglin	Frank	Lantry	Olson	Storm
Bernhagen	Frederick	Larson	Pariseau	Stumpf
Bertram	Frederickson, D.J.	Lessard	Pehler	Vickerman
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Waldorf
Brataas	Freeman	Marty	Piepho	
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

The President declared a quorum present.

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

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received and referred to the committee indicated.

March 13, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointment to the State Ethical Practices Board is hereby

respectfully submitted to the Senate for confirmation as required by law:

Bruce Willis, 2940 Walnut Grove Ln., Plymouth, Hennepin County, has been appointed by me, effective March 14, 1990, for a term expiring the first Monday in January, 1992.

(Referred to the Committee on Elections and Ethics.)

Sincerely,
Rudy Perpich, Governor

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S.F. No. 1947.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 15, 1990

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 2116, 2305 and 2609.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 15, 1990

FIRST READING OF HOUSE BILLS

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

H.F. No. 2116: A bill for an act relating to nonprofit corporations; regulating amendments to the articles; requiring approval by the directors and members with voting rights; amending Minnesota Statutes 1989 Supplement, section 317A.133, subdivision 2.

Referred to the Committee on Judiciary.

H.F. No. 2305: A bill for an act relating to agriculture; providing for light butter; amending Minnesota Statutes 1988, section 32.471, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 32.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2477.

H.F. No. 2609: A bill for an act relating to capital improvements; providing for emergency capital expenses at Inver Hills Community College; authorizing sale of state bonds; appropriating money.

Referred to the Committee on Finance.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1850: A bill for an act relating to housing; establishing a procedure for the allocation of low-income housing tax credits; amending Minnesota Statutes 1988, sections 462A.221, by adding subdivisions; 462A.222, subdivisions 2, 3, and by adding subdivisions; and 462A.223, subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2541: A bill for an act relating to real property; providing for filing and recording of maps or plats for proposed rights-of-way by local governing bodies; proposing coding for new law in Minnesota Statutes, chapter 505.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2384: A bill for an act relating to insurance; regulating coverages under Medicare supplement plans; requiring insurers to submit claims experience and earned premiums data; amending Minnesota Statutes 1988, 62A.36, by adding a subdivision; Minnesota Statutes 1989 Supplement, 62A.31, subdivision 2; 62A.315; and 62A.316.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 8, insert:

“Section 1. Minnesota Statutes 1988, section 62A.17, subdivision 6, is amended to read:

Subd. 6. [CONVERSION TO INDIVIDUAL POLICY.] A group insurance policy that provides posttermination or layoff coverage as required by this section shall also include a provision allowing a covered employee, surviving spouse, or dependent at the expiration of the posttermination or layoff coverage provided by subdivision 2 to obtain from the insurer offering the group policy or group subscriber contract, at the employee's, spouse's, or dependent's option and expense, without further evidence of insurability and without interruption of coverage, an individual policy of insurance or an individual subscriber contract 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, and 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. The required conversion contract must treat pregnancy the same as any other covered illness under the conversion contract. A health maintenance contract issued by a health maintenance organization that provides posttermination or layoff coverage as required by this section shall also include a provision allowing a former employee, surviving spouse, or

dependent at the expiration of the posttermination or layoff coverage provided in subdivision 2 to obtain from the health maintenance organization, at the former employee's, spouse's, or dependent's option and expense, without further evidence of insurability and without interruption of coverage, an individual health maintenance contract. Effective January 1, 1985, enrollees who have become nonresidents of the health maintenance organization's service area shall be given the option, to be arranged by the health maintenance organization, of a number three qualified plan, a number two qualified plan, or a number one qualified plan as provided by section 62E.06, subdivisions 1 to 3. This option shall be made available at the enrollee's expense, without further evidence of insurability and without interruption of coverage.

A policy providing reduced benefits at a reduced premium rate may be accepted by the employee, the spouse, or a dependent in lieu of the optional coverage otherwise required by this subdivision.

The individual policy or contract shall be renewable at the option of the individual as long as the individual is not covered under another qualified plan as defined in section 62E.02, subdivision 4, ~~up to age 65 or to the day before the date of eligibility for coverage under title XVIII of the Social Security Act, as amended.~~ Any revisions in the table of rate for the individual policy shall apply to the covered person's original age at entry and shall apply equally to all similar policies issued by the insurer.

Sec. 2. Minnesota Statutes 1988, 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 as long as the former spouse is not covered under another qualified plan as defined in section 62E.02, subdivision 4, ~~up to age 65 or to the day before the date of eligibility for coverage under Title XVIII of the Social Security Act, as amended.~~ Any revisions in the table of rate for the individual policy shall apply to the former spouse's original age at entry, and shall apply equally to all similar policies issued by the insurer."

Page 3, after line 32, insert:

"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.

Sec. 6. Minnesota Statutes 1988, section 62A.36, subdivision 1, is amended to read:

Subdivision 1. [MINIMUM LOSS RATIOS.] Notwithstanding the provisions of section 62A.02, subdivision 3, relating to loss ratios, medicare supplement policies shall be ~~expected~~ *required* to return to Minnesota policyholders in the form of aggregate benefits under the policy, ~~as estimated for the entire period for which rates are computed to provide coverage each year excluding the year of issuance and the first year thereafter,~~ on the basis of incurred claims experience and earned premiums ~~for such period in Minnesota~~ and in accordance with accepted actuarial principles and practices:

(a) At least 75 percent of the aggregate amount of premiums collected in the case of group policies, and

(b) At least 65 percent of the aggregate amount of premiums collected in the case of individual policies.”

Page 3, line 35, delete “Subdivision” and insert “Subd.”

Page 4, line 4, after “collected” insert “and losses incurred”

Page 4, line 19, after the period, insert “The commissioner shall annually make the submitted data available to the public at a cost not to exceed the cost of copying. The data must be compiled in a form useful for consumers who wish to compare premium charges and loss ratios.”

Sec. 8. Minnesota Statutes 1988, section 62A.36, is amended by adding a subdivision to read:

Subd. 1b. [PENALTIES.] Each sale of a policy that does not comply with the loss ratio requirements of this section is an unfair or deceptive act or practice in the business of insurance and is subject to the penalties in sections 72A.17 to 72A.32.

Sec. 9. Minnesota Statutes 1988, section 62C.142, subdivision 2, is amended to read:

Subd. 2. [CONVERSION PRIVILEGE.] Every subscriber contract, other than a contract whose continuance is contingent upon continued employment or membership, which contains a provision for termination of coverage of the spouse upon dissolution of marriage shall contain a provision allowing a former spouse and dependent children of a subscriber, without providing evidence of insurability, to obtain from the corporation at the expiration of any continuation of coverage required under subdivision 2a or section 62A.146, or upon termination of coverage by reason of an entry of a valid decree of dissolution which does not require the insured to provide continued coverage for the former spouse, an individual subscriber contract 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 corporation within 30 days following notice of the expiration of the continued coverage and upon payment of the appropriate fee. A subscriber contract providing reduced benefits at a reduced fee may be accepted by the former spouse and dependent children in lieu of the optional coverage otherwise required by this subdivision. The individual subscriber contract shall be renewable at the option of the former spouse as long as the former spouse is not covered under another qualified plan as defined in section 62E.02, subdivision 4, ~~up to age 65 or to the day before the date of eligibility for coverage under Title XVIII of the Social Security Act,~~ as amended. Any

revisions in the table of rate for the individual subscriber contract shall apply to the former spouse's original age at entry, and shall apply equally to all similar contracts issued by the corporation.

Sec. 10. Minnesota Statutes 1988, section 62D.101, subdivision 2, is amended to read:

Subd. 2. [CONVERSION PRIVILEGE.] Every health maintenance contract, as described in subdivision 1 shall contain a provision allowing a former spouse and dependent children of an enrollee, without providing evidence of insurability, to obtain from the health maintenance organization at the expiration of any continuation of coverage required under subdivision 2a or sections 62A.146 and 62D.105, an individual health maintenance contract 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 health maintenance organization within 30 days following notice of the expiration of the continued coverage and upon payment of the appropriate fee. A contract providing reduced benefits at a reduced fee may be accepted by the former spouse and dependent children in lieu of the optional coverage otherwise required by this subdivision. The individual health maintenance contract shall be renewable at the option of the former spouse as long as the former spouse is not covered under another qualified plan as defined in section 62E.02, subdivision 4, up to age 65 or to the day before the date of eligibility for coverage under title XVIII of the Social Security Act, as amended. Any revisions in the table of rate for the individual contract shall apply to the former spouse's original age at entry, and shall apply equally to all similar contracts issued by the health maintenance organization."

Page 4, line 21, delete "3" and insert "5, 7, and 8"

Page 4, line 22, delete everything after the period and insert "*The first supplement to an annual report required to be filed under section 6 must be for annual statements required to be submitted on or after January 1, 1991.*"

Page 4, delete line 23

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "making changes in policy conversions to conform to federal law;"

Page 1, line 3, after the semicolon, insert "clarifying regulatory authority"

Page 1, line 5, after the first comma, insert "sections 62A.17, subdivision 6; 62A.21, subdivision 2b;" and delete "by adding a"

Page 1, line 6, after "subdivision" insert "1, and by adding subdivisions" and after the semicolon, insert "62C.142, subdivision 2; 62D.101, subdivision 2;"

Page 1, line 7, before "62A.31" insert "sections"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Elections and Ethics, to which was referred

S.F. No. 2421: A bill for an act relating to elections; presidential primary; changing the primary date; changing the requirements for being a candidate at the primary; allowing voters to prefer uncommitted delegates; allowing write-in votes; providing for voter receipt of ballots; eliminating the provision that the primary winner is the party's endorsed candidate; changing the apportionment of party delegates; requiring provision of certain information to interested persons; amending Minnesota Statutes 1989 Supplement, sections 207A.01; 207A.02, subdivision 1; 207A.03; and 207A.06; proposing coding for new law in Minnesota Statutes, chapter 207A; repealing Minnesota Statutes 1989 Supplement, section 207A.05.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 204B.06, is amended by adding a subdivision to read:

Subd. 1a. [PRESIDENTIAL PRIMARY AFFIDAVIT.] An affidavit of candidacy for the presidential primary shall include the candidate's name, address, office sought, and the candidate's political party or principal in three words or less. The affidavit shall include a statement that the candidate satisfies the federal constitutional requirements for holding office.

Sec. 2. Minnesota Statutes 1988, section 204B.11, subdivision 2, is amended to read:

Subd. 2. [PETITION IN PLACE OF FILING FEE.] At the time of filing an affidavit of candidacy, a candidate may present a petition in place of the filing fee. The petition may be signed by any individual eligible to vote for the candidate. A nominating petition filed pursuant to section 204B.07 or 204B.13, subdivision 4, is effective as a petition in place of a filing fee if the nominating petition includes a prominent statement informing the signers of the petition that it will be used for that purpose.

The number of signatures on a petition in place of a filing fee shall be as follows:

(a) For a state office voted on statewide, or for *president of the United States, or United States senator*, 2,000;

(b) For a congressional office, 1,000;

(c) For a county or legislative office, or for the office of district, county or county municipal judge, 500; and

(d) For any other office which requires a filing fee as prescribed by law, municipal charter or ordinance, the lesser of 500 signatures or five percent of the total number of votes cast in the municipality, ward or other election district at the preceding general election at which that office was on the ballot.

An official with whom petitions are filed shall make sample forms for petitions in place of filing fees available upon request.

Sec. 3. Minnesota Statutes 1989 Supplement, section 207A.01, is amended to read:

207A.01 [PRESIDENTIAL PRIMARY.]

A presidential primary must be held on the ~~fourth~~ *first* Tuesday in ~~February~~ *March* of each year 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. 4. Minnesota Statutes 1989 Supplement, section 207A.02, is amended to read:

207A.02 [CANDIDATES ON BALLOT.]

Subdivision 1. [REQUIRED LISTING.] The following individuals must be listed as candidates on the appropriate major political party presidential ballot with a separate ballot for each major political party:

(1) any individual ~~whose name has been entered as a candidate for the nomination of a major political party in presidential primaries in two or more other states during the same year~~ *who files an affidavit of candidacy pursuant to section 204B.06 and submits the appropriate filing fee or petition in place of filing fee pursuant to section 204B.11; and*

(2) any individual nominated as a candidate for the presidential nomination of a political party by a petition *submitted not later than ten weeks before the primary and bearing the names of 2,000 1,000* eligible voters from each congressional district.

In addition, each major political party's ballot must contain a place for a voter to indicate a preference for having delegates to the party's national convention remain uncommitted, and a blank line printed below the other choices on the ballot so that a voter may write in the name of a person who is not listed on the ballot.

Subd. 1a. [TIME FOR FILING; FEE.] The period for filing an affidavit of candidacy for the presidential primary shall commence 16 weeks before the primary and close 14 weeks before the primary. The filing fee shall be \$500. The period for signing nominating petitions shall commence 16 weeks before the primary and close ten weeks before the primary.

~~Subd. 2. [TENTATIVE LISTING ANNOUNCING CANDIDATES.] A tentative determination of the Candidates to be listed who have filed an affidavit of candidacy pursuant to subdivision 1, clause (1), for each political party on the presidential primary ballot must be announced by the secretary of state ten weeks before the primary the day after filings close for the purpose of giving voters sufficient time to nominate ~~unlisted~~ other candidates by petition.~~

Subd. 3. [ANNOUNCEMENT.] The determination of which candidates must be listed on the presidential primary ballot must be made by the secretary of state not later than ~~six~~ eight weeks before the presidential primary. The secretary of state shall certify to the county auditor of each county the names of all candidates in the presidential primary at least seven weeks before the primary.

Subd. 4. [NOTIFICATION.] Not later than three days after the last day

for filing a nominating petition pursuant to subdivision 1, clause (2), the secretary of state shall notify each individual whose name is to be listed on the presidential primary ballot that the individual's name will be listed unless the individual submits an affidavit stating that the individual is not a candidate for the presidential nomination, does not intend to become a candidate, and would not accept the nomination. The affidavit must be submitted to and received by the secretary of state no later than five eight weeks before the presidential primary.

Sec. 5. Minnesota Statutes 1989 Supplement, section 207A.03, is amended to read:

207A.03 [PRESIDENTIAL PRIMARY; HOW CONDUCTED.]

Subdivision 1. [GENERAL RULE.] Except as otherwise provided in sections 207A.01 to 207A.07, the presidential primary must be ~~announced, held, and~~ conducted, and the results canvassed and returned in the manner provided by law for ~~other primaries and in accordance with the general election laws of the state, as applicable~~ the state primary. If a municipality which uses lever voting machines or an electronic voting system determines that the use of the machines or voting system would not be practical in the presidential primary, the municipality may use a paper ballot for the presidential primary.

Subd. 2. [VOTER CERTIFICATION; BALLOT.] An individual seeking to vote at the presidential primary shall request the ballot of the party for whose candidates the individual wishes to vote. The voter registration certificate or duplicate registration file for the presidential primary shall list the names of the political parties appearing on the ballot at the presidential primary. Before receiving a ballot, a voter shall sign the voter's certificate or duplicate registration file and shall place a check mark beside the name of the political party whose ballot the voter requested.

Sec. 6. Minnesota Statutes 1989 Supplement, section 207A.04, is amended to read:

Subdivision 1. [NOTICE OF FILING PERIOD.] ~~Before December 4 of the year~~ Twenty weeks before a presidential primary is to be held, the secretary of state shall provide notice to the county auditor of each county of the date of the presidential primary. Within ten days after notification by the secretary of state, each county auditor shall provide notice of the date of the presidential primary to each municipal clerk in the county.

Subd. 2. [NOTICE OF PRIMARY.] At least 15 days before the date of the presidential primary, each municipal clerk shall post a public notice stating the date of the presidential primary, the location of each polling place in the municipality, and the hours during which the polling places in the municipality will be open. The county auditor shall post a similar notice in the auditor's office with information for any polling places in unorganized territory in the county. The governing body of a municipality or county may publish the notice in addition to posting it. Failure to give notice does not invalidate the election.

Subd. ~~2~~ 3. [BALLOT PREPARATION.] The secretary of state shall prepare paper ballots, absentee ballot envelopes, ballot return envelopes, election return envelopes, and summary statements for use in the presidential primary. The ballots must be printed on white paper with a separate ballot for the names of the candidates of each political party.

Sec. 7. Minnesota Statutes 1989 Supplement, section 207A.06, subdivision 1, is amended to read:

Subdivision 1. [APPORTIONMENT OF VOTES.] The delegates to the national convention of each political party appearing on the presidential primary ballot *who are chosen on the basis of their support for particular presidential candidates* must be apportioned among the various candidates of that party receiving votes in the presidential primary, in proportion to their respective vote totals.

The secretary of state shall certify to the state chairperson of each political party appearing on the presidential primary ballot the number of delegates to which each presidential candidate is entitled.

Sec. 8. Minnesota Statutes 1989 Supplement, section 207A.06, subdivision 2, is amended to read:

Subd. 2. [CHOSEN DELEGATES.] Delegates to the national convention of each political party appearing on the presidential primary ballot must be chosen by the state convention *or congressional district convention* of that party, except as otherwise provided in this subdivision. The secretary of each party's state convention *or congressional district convention* shall promptly notify the secretary of state of the names of the delegates to the national convention chosen as supporters of each presidential candidate. ~~Only supporters of candidates whose names appeared on the presidential primary ballot may be chosen by the state convention of that party to be delegates to the national convention. The secretary of state shall promptly notify each presidential candidate of the names of the delegates to the national convention chosen as supporters of that candidate. If the presidential candidate determines that the delegates chosen as supporters by the state convention are not in fact committed to the candidate's candidacy, the candidate shall, within ten days of receiving the notification from the secretary of state, advise the secretary of state of the names of those delegates to whom the candidate objects on those grounds and shall name as substitute delegates any other individuals who are committed to the candidacy. The determination and selection by the presidential candidate shall take precedence over the decision of the state convention and is final. The secretary of state shall promptly notify the secretary of the state convention of the affected political party of the action by a presidential candidate.~~

Sec. 9. [207A.08] [INFORMATION ON PARTY CHOICE.]

Notwithstanding section 204C.18, subdivision 1, or other law to the contrary, a person entitled to inspect the duplicate registration file or receive a copy of a current precinct list under section 201.091, must also be informed of the party choice of any voter who voted in the most recent presidential primary under chapter 207A.

Sec. 10. [207A.09] [RULEMAKING AUTHORITY.]

The secretary of state shall adopt rules to implement the provisions of chapter 207A as follows:

- (1) to implement the provisions of section 9;*
- (2) to determine a method for verifying the signatures on nominating petitions and petitions in place of filing fees for the presidential primary;*
- (3) to determine the format of the presidential primary ballots; and*
- (4) to determine the manner of paying or reimbursing the costs to the*

counties of conducting the presidential primary.

Sec. 11. [REGIONAL PRIMARY STUDY.]

The secretary of state shall study the feasibility of Minnesota's joining any other state to hold a regional presidential primary and shall report conclusions to the chairs of the general legislation, veterans affairs and gaming committee in the house of representatives and the elections and ethics committee in the senate by February 1, 1991.

Sec. 12. [REPEALER.]

Minnesota Statutes 1989 Supplement, section 207A.05, is repealed."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "providing procedures for conducting the primary;"

Page 1, line 11, after "Statutes" insert "1988, sections 204B.06, by adding a subdivision; 204B.11, subdivision 2; Minnesota Statutes"

Page 1, lines 11 and 12, delete ", subdivision 1"

Page 1, line 12, before "and" insert "207A.04;" and after "207A.06" insert ", subdivisions 1 and 2"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1986: A bill for an act relating to statutes; revising the text of certain laws to remove redundant and obsolete language, to simplify grammar and syntax, and to improve the style of language without causing changes in the meaning of the laws; amending Minnesota Statutes 1988, chapters 367, as amended; and 368, as amended.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2072: 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 1988, sections 11A.14, subdivision 5; 15.0597, subdivision 1; 15.50, subdivisions 2 and 5; 16B.53, subdivision 3; 62C.141; 115.49, subdivision 4; 163.06, subdivision 6; 197.55; 232.21, subdivision 7; 256B.69, subdivision 6; 257.41; 273.124, subdivision 13; 273.1315; 333.135; 336.9-105; 353A.02, subdivision 14; 354.05, subdivision 23; 354.66, subdivision 7; 412.701; 412.711; 459.07; 469.155, subdivision 12; 481.12; 626.556, subdivision 10c; Minnesota Statutes 1989 Supplement, sections 18.022, subdivision 2; 62A.045; 105.41, subdivision 1a; 115C.03, subdivision 9; 124.86, subdivision 2; 127.455; 144.6501, subdivision 10; 168.013, subdivision 1a; 168.33, subdivision 2; 176.421, subdivision 7; 204C.361; 236.02, subdivision 7; 245.462, subdivision 4; 256E.08, subdivision 5; 256H.08; 256H.22, subdivisions 2 and 3; 260.185, subdivision 1; 270B.12,

subdivision 7; 273.119, subdivision 1; 319A.20; 336.2A-104; 352.01, subdivision 2b; 352.72, subdivision 1; 352B.30, subdivision 1; 383D.41, subdivisions 1 and 2; 422A.05, subdivision 2a; 469.129, subdivision 1; 501B.61, subdivision 1; 563.01, subdivision 3; 609.605, subdivision 3; Minnesota Statutes Second 1989 Supplement, sections 121.904, subdivision 4a; 245A.14, subdivision 6; and 275.50, subdivision 5; and Laws 1989, chapters 329, article 8, section 15, subdivision 2; 332, section 3, subdivision 3; repealing Minnesota Statutes 1988, sections 11A.19, subdivisions 1 to 8; 43A.192; Minnesota Statutes 1989 Supplement, sections 11A.19, subdivision 9; and 226.01 to 226.06.

Reports the same back with the recommendation that the bill do pass.
Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2355: A bill for an act relating to statutes of limitations; establishing a three-year time limit to bring an action for penalty or forfeiture for violation of certain environmental statutes; amending Minnesota Statutes 1989 Supplement, section 541.07; proposing coding for new law in Minnesota Statutes, chapter 575.

Reports the same back with the recommendation that the bill do pass.
Report adopted.

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 1955: A bill for an act relating to housing; changing the definition of designated home ownership area for the Minnesota rural and urban homesteading program; amending Minnesota Statutes 1989 Supplement, section 462A.057, subdivision 2.

Reports the same back with the recommendation that the bill do pass.
Report adopted.

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F. No. 1936: A bill for an act relating to public employment; limiting the exclusion of graduate assistants from coverage under the public employment labor relations act; amending Minnesota Statutes 1988, section 179A.03, subdivision 14.

Reports the same back with the recommendation that the bill do pass.
Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2277: A bill for an act relating to human services; creating a new chapter establishing a unified process for the handling of civil, criminal, and financial recovery matters in all human service programs; amending Minnesota Statutes 1988, sections 256.73, subdivision 6; and 393.07, subdivision 10; proposing coding for new law as Minnesota Statutes, chapter 256J; repealing Minnesota Statutes 1988, sections 256.98; 256.981; 256.982; and 256D.14.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [256.984] [ADMINISTRATIVE FRAUD DISQUALIFICATION HEARINGS.]

Subdivision 1. [HEARING AUTHORITY.] A local agency may elect to initiate an administrative fraud disqualification hearing for individuals accused of wrongfully obtaining assistance or intentional program violations in the AFDC or food stamp programs, instead of a criminal prosecution under section 256.98 or other criminal laws. The hearing is subject to the requirements of section 256.045.

Subd. 2. [COMBINED HEARING.] The referee may combine a fair hearing and administrative fraud disqualification hearing into a single hearing if the factual issues arise out of the same, or related, circumstances and the individual receives prior notice that the hearings will be combined. If the administrative fraud disqualification hearing and fair hearing are combined, the time frames for administrative fraud disqualification hearings apply.

Sec. 2. [256.985] [DISQUALIFICATION PROVISIONS.]

Subdivision 1. [DISQUALIFICATION FROM PROGRAM.] (a) Any person found by clear and convincing evidence in an administrative hearing to have wrongfully obtained assistance in the AFDC or food stamp programs shall be disqualified from that assistance program and the needs of that individual shall not be taken into consideration in determining the grant or assistance level. The period of disqualification shall be as follows:

- (1) for a first offense, six months;*
- (2) for a second offense, 12 months; and*
- (3) for a third or subsequent offense, permanent disqualification.*

The disqualification period shall begin within 45 days of the date on which the fraud determination is made, unless the individual is not a current participant in the program. If the individual is not a current participant in the program, the disqualification period shall begin when the individual has applied and been determined eligible for benefits.

(b) Any period for which sanctions are imposed is effective, without possibility of administrative stay, until the finding upon which the sanctions were imposed is reversed by a court of competent jurisdiction. The period for which sanctions are imposed is not subject to review.

(c) The commissioner shall adopt rules necessary to implement and operate administrative fraud disqualification hearings.

Subd. 2. [INELIGIBILITY FOR GENERAL ASSISTANCE.] No person disqualified from any federally aided assistance program shall be eligible for general assistance during the period covered by the disqualification sanction.

Sec. 3. Minnesota Statutes 1988, section 256.98, subdivision 7, is amended to read:

Subd. 7. [DIVISION OF RECOVERED AMOUNTS.] If the state is responsible for the recovery, the amounts recovered shall be paid to the

appropriate units of government as provided under section 256.863. If the recovery is directly attributable to a county, the county may retain ~~one-half~~ 75 percent of the nonfederal share of any recovery from a recipient or the recipient's estate. This subdivision does not apply to recoveries from medical providers or to recoveries involving the department of human services, surveillance and utilization review division, state hospital collections unit, and the benefit recoveries division.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 and 2 are effective July 1, 1990, and apply to assistance wrongfully obtained after that date. Section 3 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to human services; authorizing fraud disqualification hearings for the AFDC and food stamps programs; setting disqualification periods; increasing county recoveries; amending Minnesota Statutes 1988, section 256.98, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 256."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1937: A bill for an act relating to health; establishing standards for safe levels of lead; requiring education about lead exposure; requiring lead assessments of certain residences; establishing standards for lead abatement; requiring rules; amending Minnesota Statutes 1988, section 116.52, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Minnesota Statutes 1989 Supplement, sections 144.851 to 144.862.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 24, delete "analyses" and insert "results"

Page 3, line 31, delete everything after "address" and insert "of the patient."

Page 4, line 35, delete "in" and insert "at"

Page 5, line 4, before "interior" insert "lead-containing"

Page 6, line 4, delete everything after the period

Page 6, delete line 5

Pages 7 and 8, delete section 8 and insert:

"Subd. 4. [EXCEPTION TO ABATEMENT REQUIREMENT.] *Notwithstanding the requirement in Minnesota Rules, part 4620.2300 [Emergency], subpart 2, item B, for abatement of intact paint that is in violation of lead standards in part 4620.2100 [Emergency], the commissioner shall not require abatement of intact lead-based paint that is not actually accessible to children as a chewable or lead-dust producing surface or as a source of actual lead exposure.*"

Page 8, line 35, delete "9" and insert "8"

Page 9, delete section 10

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

H.F. No. 2149: A bill for an act relating to port authorities; expanding the range of titles for certain offices; amending Minnesota Statutes 1988, section 469.051, subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

H.F. No. 1893: A bill for an act relating to local government; authorizing certain towns to contribute to economic development organizations.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1520: A bill for an act relating to human services; creating a technology assistance review panel; requiring a study of the feasibility of developing a shared risk pool for technology-assisted persons; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [256.9691] [TECHNOLOGY ASSISTANCE REVIEW PANEL.]

Subdivision 1. [ESTABLISHMENT.] The commissioner of health shall establish a technology assistance review panel to resolve disputes over the provision of health care benefits for technology-assisted persons who receive benefits under a policy or plan of health, medical, hospitalization, or accident and sickness insurance regulated under chapter 62A, a subscriber contract of a nonprofit health service plan corporation regulated under chapter 62C, or a certificate of coverage of a health maintenance organization regulated under chapter 62D.

Subd. 2. [DEFINITION.] For purposes of this section, "technology-assisted person" means a person who:

(1) has a chronic health condition;

(2) requires the routine use of a medical device to compensate for the loss of a life-sustaining body function; and

(3) requires ongoing care or monitoring by trained personnel on a daily

basis.

Subd. 3. [STEERING COMMITTEE.] The commissioner shall appoint a seven-member steering committee to appoint the review panel members, develop policies and procedures for the review process, including the replacement of review panel members, serve as a liaison between the regulatory agencies and the review panel, and provide the review panel with technical assistance. The steering committee shall consist of representatives of the departments of health, human services, and commerce; a health maintenance organization regulated under chapter 62D; an insurer regulated under chapter 62A or a health service plan corporation regulated under chapter 62C; an advocacy organization representing persons who are technology-assisted; and a tertiary care center that serves technology-assisted persons. The steering committee shall not be reimbursed for any expenses as defined under section 15.0575, subdivision 3. The steering committee shall dissolve no later than June 30, 1992.

Subd. 4. [COMPOSITION OF REVIEW PANEL.] (a) The review panel shall be appointed by the members of the steering committee that do not represent state agencies and must include:

(1) a medical director from an insurer regulated under chapter 62A, a health service plan corporation regulated under chapter 62C, or a health maintenance organization regulated under chapter 62D;

(2) a contract benefits analyst from an insurer regulated under chapter 62A, a health service plan corporation regulated under chapter 62C, or a health maintenance organization regulated under chapter 62D;

(3) a consumer board member of an insurer regulated under chapter 62A, a health service plan corporation regulated under chapter 62C, or a health maintenance organization regulated under chapter 62D;

(4) a physician with expertise in providing care for technology-assisted persons in a nonhospital setting;

(5) a registered nurse with expertise in providing care for technology-assisted persons in a nonhospital setting; and

(6) a consumer of health care benefits regulated under chapter 62A, 62C, or 62D who is a technology-assisted person or the parent or guardian of a technology-assisted person.

(b) The term of service for review panel members is three years except that, for the initial appointment, the steering committee shall establish procedures to assure that the terms of the members are staggered. Members are eligible to serve two consecutive terms.

Subd. 5. [AUTHORITY.] The review panel may review cases involving disputes over the provision of contract benefits regarding discharge planning, home health care benefits eligibility and coverage, or changes in the level of home health care services for technology-assisted persons. The review may be requested by a third-party payor, a health or social service professional, or a parent or guardian of a technology-assisted child or a technology-assisted adult. For the case to be eligible for review by the panel, the parent or guardian of a technology-assisted child or technology-assisted adult must consent to the review. The review panel may not review cases involving discharge to a long-term care facility or cases involving coverage by title 18 or 19 of the United States Code. The review panel may seek advice from experts outside the membership of the panel as

necessary. The internal grievance process within an insurer, health service plan corporation, or health maintenance organization must be exhausted before requesting a review by the review panel. The recommendations of the review panel are not binding. If, following a review by the review panel, a complaint is filed with the appropriate state agency regarding the same subject matter, the findings of the review panel must be made available to the agency upon request and with the consent of the parent or guardian of a technology-assisted child or technology-assisted adult. The information must be maintained by the agency as nonpublic information under chapter 13. The steering committee may establish policies for reimbursement of expenses for review panel members consistent with the provisions of section 15.0575, subdivision 3.

Subd. 6. [CONFIDENTIALITY.] All proceedings of the review organization are nonpublic under chapter 13. All data, information, and findings acquired and developed by the review panel in the exercise of its duties or functions must be held in confidence, may not be disclosed to anyone except to the extent necessary to carry out one or more of the purposes of the review panel or as described in subdivision 5, and are not subject to subpoena or discovery. Members of the review panel may not disclose what transpired at a meeting of the review panel except to the extent necessary to carry out one or more of the purposes of the review panel. The proceedings and record of the review panel are not subject to discovery or introduction into evidence in any civil action against a health care professional or insurer, health service plan corporation, or health maintenance organization, arising out of the matter or matters that are the subject of consideration by the review panel.

Subd. 7. [LIMITATION ON LIABILITY FOR MEMBERS OF STEERING COMMITTEE AND REVIEW PANEL.] A person who is a member of, or who acts in an advisory capacity to or who gives counsel or services to, the steering committee or review panel is not liable for damages or other relief in any action brought by a person or persons whose case has been reviewed by the panel, by reason of the performance of any duty, function, or activity of the review panel, unless the performance of the duty, function, or activity was motivated by malice toward the person affected. A member is not liable for damages or other relief in any action by reason of the performance of the member of any duty, function, or activity as a member of the steering committee or review panel or by reason of any recommendation or action of the review committee when the member acts in the reasonable belief that the action or recommendation is warranted by the facts known to the member or review panel after reasonable efforts to ascertain the facts.

Sec. 2. [APPROPRIATION.]

§ is appropriated from the general fund to the commissioner of health for the fiscal year ending June 30, 1991, for the purpose of operating the technology assistance review panel. The commissioner may contract with an organization or entity to provide administrative support services for the review panel.

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 human services; creating a technology assistance review panel; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2026: A bill for an act relating to health; authorizing the creation of a technical advisory task force for emergency dispatch services; requiring the submission of a multidisciplinary report on training needs of emergency dispatchers operating within 911 systems.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [ADVISORY TASK FORCE FOR EMERGENCY DISPATCH SERVICES.]

Subdivision 1. [PURPOSE.] The legislature requires the assistance of persons, organizations, and agencies involved in the regulation, management, and dispatching of emergency medical, fire protection, and law enforcement services in preparing recommendations on:

(1) appropriate skill levels and related training needs of emergency dispatchers operating within the 911 system;

(2) the cost of assuring that these skill levels are met and retained by all appropriate personnel; and

(3) the appropriate roles of state and local government in the attainment of recommended skill levels.

Subd. 2. [DISPATCHING SKILLS TASK FORCE.] Not later than 60 days following the effective date of this section, the commissioners of administration, health, and public safety shall jointly appoint a multidisciplinary task force to prepare a report and recommendations concerning the appropriate skill levels of emergency dispatching personnel operating within the 911 system. The task force shall be composed of one representative each of the house of representatives, the senate, the department of administration, the department of health, the department of public safety, Minnesota Telephone Association, Inc., Associated Public Safety Communications Officers, Inc., the Minnesota state sheriffs' association, the Minnesota chiefs of police association, the Minnesota state fire chiefs association, the law enforcement dispatchers association, the Minnesota police and peace officers association, the Minnesota association of emergency medical technicians, the Minnesota chapter of the American college of emergency physicians, the Minnesota ambulance association, the association of Minnesota counties, the league of Minnesota cities, and the governing body of a regional emergency medical service system designated under Minnesota Statutes, section 144.8093. In addition, the task force shall have one member who is a member of the general public who has no involvement in the management or the provision of 911 or other emergency medical or public safety services and one member who is a professional, full-time 911 dispatcher who is experienced in both receiving 911 calls

and dispatching emergency medical and public safety services or relaying 911 calls to the appropriate emergency medical and public safety agencies. Finally, the task force shall have two members who are responsible for operating a public safety answering point, one of whom is nominated by the metropolitan 911 telephone board and one of whom is nominated by the county board of a county outside the metropolitan area as defined in Minnesota Statutes, section 403.02, subdivision 2.

Subd. 3. [MEETINGS.] The task force shall hold at least one-half of its meetings in areas outside the metropolitan area as defined in section 403.02, subdivision 2.

Subd. 4. [REPORT.] Not later than January 1, 1991, the dispatching skills task force shall complete a study of existing dispatching operations in Minnesota and other states it determines are relevant and submit a report and recommendations to the legislature on the following:

- (1) the basic and applied dispatching skills needed in Minnesota, particularly in nonurban areas;*
- (2) course content and training strategies to meet the needs identified;*
- (3) the appropriate method of certifying skill levels and of assuring that minimum skill levels are met or exceeded by all dispatchers receiving requests through the 911 system;*
- (4) the fiscal needs of state and local government to assure that skill levels are reached and retained, including specific recommendations regarding appropriate state and local shares in meeting these needs; and*
- (5) proposed legislation and administrative actions needed to implement task force recommendations.*

Subd. 5. [STAFFING.] The commissioners of administration, health, and public safety shall jointly assure that the needs of the dispatching skills task force for staff support are met.

Subd. 6. [EXPENSES.] The commissioners of administration, health, and public safety shall assure that expenses for persons serving on the dispatching skills task force who are not state employees are reimbursed according to Minnesota Statutes, section 15.059, subdivision 6.

Sec. 2. [REPEALER.]

Section 1 is repealed effective July 1, 1991.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 2297: A bill for an act relating to taxation; property; requiring equal access to food or beverage services or facilities for golf clubs under open space property tax treatment; amending Minnesota Statutes 1989 Supplement, section 273.112, subdivision 3.

Reports the same back with the recommendation that the bill be amended

as follows:

Page 2, line 27, before the period, insert "*at all times*" and after the period, insert "*Nothing in this paragraph shall be construed to require service or access to facilities to persons under the age of 21 years or require any act which would violate law or ordinance regarding sale, consumption, or regulation of alcoholic beverages.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1674: A bill for an act relating to agriculture; providing grasshopper control; authorizing the commissioner to exempt certain lands from grasshopper control; exempting certain persons from losses relating to grasshopper control; clarifying when public utilities are subject to grasshopper control; providing for notices for control and approval of grasshopper control costs; authorizing levies; appropriating money; amending Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 18; repealing Minnesota Statutes 1989 Supplement, section 18.0226.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 20, before the period, insert ", 1990"

Page 2, line 1, delete everything after the first comma and insert "1990."

Page 2, delete line 2

Page 10, line 16, after "*control*" insert "*; provided that the amount of the expenditure for which a county may levy is net of any reimbursement paid to the county under section 6, subdivision 2*"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1759: A bill for an act relating to controlled substances; allowing prosecution in any county of controlled substance offenses involving sales of amounts aggregated over a 120-day period; providing that cocaine base is weighed as a mixture for purposes of first, second, and third degree controlled substance crimes; prohibiting the importing of controlled substances into the state; requiring the reporting of transactions involving substances that are precursors to controlled substances; providing for administrative forfeiture of dangerous weapons found in proximity to controlled substances; providing for representation by the public defender of persons filing for judicial review of a forfeiture; providing that period for filing for judicial review of a forfeiture begins when an interpreter is provided for persons handicapped in communication; defining controlled substances for purposes of reporting prenatal exposure to controlled substances; requiring adoption of day-fine system by each judicial district; providing for an intensive supervision program; creating pilot programs to require drug and alcohol testing as a condition of probation; creating pilot programs to provide

chemical dependency treatment services in juvenile and adult jails and correctional facilities; creating pilot programs to require chemical dependency assessments for drug offenders; prohibiting possession of controlled substances in motor vehicles; appropriating money; amending Minnesota Statutes 1988, sections 169.122; 241.26, subdivision 2; 244.05, by adding a subdivision; 260.151, subdivision 1; 609.035; 609.10; 609.135, subdivision 1, and by adding a subdivision; 609.5314, subdivisions 2 and 3; 611.14; 611.32; 626.556, subdivision 4; 631.40; Minnesota Statutes 1989 Supplement, sections 152.021; 152.022; 152.023, subdivision 2; 152.028, subdivision 2, and by adding a subdivision; 609.115, subdivision 1; 609.5314, subdivision 1; 626.556, subdivision 2; 626.5561, subdivisions 1, 3, 4, and by adding a subdivision; and 626.5562, subdivisions 1, 2, and 4; proposing coding for new law in Minnesota Statutes, chapters 152; 244; 290; and 299A; repealing Minnesota Statutes 1989 Supplement, section 152.027, subdivision 3.

Reports the same back with the recommendation that the bill amended as follows:

Page 11, delete section 13

Page 26, line 21, delete "30, and 33" and insert "29, and 32"

Renumber the sections of article 1 in sequence

Amend the title as follows:

Page 1, line 43, delete "290;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 2018: A bill for an act relating to lawful gambling; defining lawful purposes for expenditures of gambling profits; establishing licensing qualifications for organizations and manufacturers; requiring organizations to report monthly on expenditures and contributions of gambling profits; authorizing the gambling control board to require recipients of contributions of gambling profits to register with the board; authorizing summary suspension of gambling licenses for failure to file tax returns; authorizing a limited number of video pull-tab devices and establishing standards and requirements for them; requiring inspection and testing of gambling equipment; requiring permits for gambling premises; requiring gambling managers to be licensed; requiring that employees of organizations conducting lawful gambling be registered with the board; requiring local gambling taxes and prescribing uses for revenue therefrom; abolishing lawful gambling on July 1, 1993; amending Minnesota Statutes 1988, sections 349.12, subdivisions 10, 18, and by adding subdivisions; 349.16, as amended; 349.17, as amended; 349.18, as amended; 349.19, as amended; 349.211, by adding a subdivision; 349.212, subdivision 5; 349.2121, subdivisions 1 and 4a; 349.2123; 349.30, subdivision 2; 349.31; 349.32; 349.34; 349.35, subdivision 1; 349.36; 349.38; 349.39; 349.50, subdivision 8; 349.55; 609.75, subdivision 4; Minnesota Statutes 1989 Supplement, sections 299L.03, by adding a subdivision; 340A.410, subdivision 5; 349.12, subdivisions 12 and 15; 349.151, subdivision 4; 349.152, subdivision 2, and by adding subdivisions; 349.161, as amended; 349.162; 349.163, as amended;

349.164; 349.2121, subdivision 2; 349.2122; 349.213, subdivision 2; 609.75, subdivision 3; 609.761, subdivision 1; Minnesota Statutes Second 1989 Supplement, sections 349.12, subdivisions 11 and 19; 349.15; 349.212, subdivisions 1, 2, and 4; Laws 1989, First Special Session chapter 1, article 13, section 27; proposing coding for new law in Minnesota Statutes, chapter 349; repealing Minnesota Statutes 1988, sections 349.11, as amended; 349.12, as amended; 349.13; 349.14; 349.15, as amended; 349.16, as amended; 349.161, as amended; 349.162, as amended; 349.163, as amended; 349.164, as amended; 349.17, as amended; 349.18, as amended; 349.19, as amended; 349.211; 349.212, as amended; 349.2121, as amended; 349.2122, as amended; 349.2123; 349.2124; 349.2125, as amended; 349.2127, as amended; 349.213, as amended; 349.214, subdivisions 1, 1a, 3, and 4; 349.22, as amended; 349.23; Minnesota Statutes 1989 Supplement, sections 349.151, subdivisions 1, 2, 4, 4a, and 5; 349.152; 349.153; 349.20; 349.21; 349.215; 349.2151; 349.2152; 349.216; 349.217; 349.2171; 349.218; 349.219; Minnesota Statutes Second 1989 Supplement, section 349.214, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, line 30, delete "*subdivision*" and insert "*subdivisions 1 and*"

Page 8, line 2, reinstate the stricken "55" and delete "60" and strike "less the tax"

Page 8, line 3, strike everything before "from"

Page 8, line 4, strike "taxes" and insert "tax"

Page 8, line 5, strike "subdivisions 1, 4, and" and insert "*subdivision*"

Page 23, line 10, delete "*past*" and insert "*last*"

Page 24, line 10, before "A" insert "(a)"

Page 24, after line 16, insert:

"(b) *The flare of each deal of pull-tabs and tipboards sold by a manufacturer in Minnesota must have the Minnesota gambling stamp affixed. The flare, with the stamp affixed, must be placed inside the wrapping of the deal which the flare describes.*

(c) *Each pull-tab and tipboard flare must bear the following statement, printed in letters large enough to be clearly legible:*

"*Pull-tab (or tipboard) purchasers — This pull-tab (or tipboard) game is not legal in Minnesota unless:*

— *a Minnesota gambling stamp is affixed to this sheet, and*

— *the serial number handwritten on the gambling stamp is the same as the serial number printed on this sheet, and on the pull-tab (or tipboard) ticket you have purchased."*

(d) *The flare of each pull-tab and tipboard game must bear the serial number of the game, printed in numbers at least one-half inch high.*

(e) *The flare of each pull-tab and tipboard game must be imprinted at the bottom with a bar code which provides:*

(1) *the name of the game;*

(2) *the serial number of the game;*

- (3) the name of the manufacturer;
- (4) the number of tickets in the deal;
- (5) the odds of winning each prize in the deal; and
- (6) any other information the board by rule requires.

The serial number included in the bar code must be the same as the serial number of the tickets included in the deal. A manufacturer who manufactures a deal of pull-tabs must affix to the outside of the box containing that game the same bar code which is imprinted at the bottom of a flare for that deal.

(f) No person may alter the bar code which appears on the outside of a box containing a deal of pull-tabs and tipboards. Possession of a box containing a deal of pull-tabs and tipboards which has a bar code different from the bar code of the deal inside the box is prima facie evidence that the possessor has altered the bar code on the box."

Page 38, line 9, after the period, insert "*The chip must be programmed to display on the video screen the unique serial number of the chip and a statement that the chip is to be sold only in Minnesota.*"

Page 42, after line 15, insert:

"Sec. 34. [349.174] [PULL-TABS; DEADLINE FOR USE.]

A deal of pull-tabs and tipboards received by an organization before September 1, 1989, must be put into play by that organization before September 1, 1990, unless the deal bears a serial number which allows it to be traced back to its manufacturer. An organization in possession on and after September 1, 1990, of a deal of pull-tabs and tipboards the organization received before September 1, 1989, may not put such a deal in play but must remove it from the organization's inventory and return it to the manufacturer."

Page 46, line 25, reinstate the stricken "Subd. 9. [" and reinstate the stricken "AUDIT; FILING REQUIREMENT.]"

Page 46, after line 26, insert "*The board may require an organization to have a*"

Page 46, line 27, reinstate the stricken language

Page 46, line 30, reinstate the stricken ". A complete, true, and correct copy"

Page 46, lines 31 and 32, reinstate the stricken language

Page 47, delete section 36 and insert:

"*Subd. 11. [INFORMATION MADE PART OF ORGANIZATION MINUTES.] A licensed organization which receives a copy of a written audit under subdivision 9, or an audit or compliance report prepared by an agency of the state, must place the audit report or compliance report in the minutes of the next meeting of the organization following receipt of the report. Copies of such minutes must be made available to all members of the organization upon request.*"

Page 47, line 22, strike "4" and insert "8"

Page 48, line 20, strike "4" and insert "8"

Page 49, line 12, strike "(b)" and insert "(a)"

Page 61, line 14, delete "349.19,"

Page 61, line 15, delete "subdivision 9,"

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 23 and 24, delete "349.211, by adding a subdivision"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

H.F. No. 1989: A bill for an act relating to motor vehicles; allowing tax-exempt license plates for vehicles used for driver education programs at nonpublic high schools; amending Minnesota Statutes 1989 Supplement, section 168.012, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 23, after the semicolon, insert "and"

Page 2, line 34, strike "public" and insert "political" and after "subdivision" insert ", or the nonpublic high school operating a driver education program."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 1770: A bill for an act relating to consumer protection; regulating membership travel contracts; providing a right to cancel; prescribing penalties; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325G.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davis from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 1902: A bill for an act relating to agriculture; providing for uniformity of certain food rules with federal law; amending Minnesota Statutes 1989 Supplement, section 31.101, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 31.101, is amended by adding a subdivision to read:

Subd. 9. [FISHERY PRODUCTS RULES.] Federal regulations in effect on April 1, 1989, as provided by Code of Federal Regulations, title 50, parts 260 to 266, are incorporated as part of the fishery products rules

in this state for state inspections performed under a cooperative agreement with the United States Department of Commerce, National Marine Fisheries Service. The rules may be amended by the commissioner under chapter 14.

Sec. 2. Minnesota Statutes 1989 Supplement, section 32.103, is amended to read:

32.103 [INSPECTION OF DAIRIES.]

(a) ~~At such time as~~ *times* the commissioner ~~may deem~~ *determines* proper, the commissioner shall cause to be inspected all places where dairy products are made, stored, or served as food for pay, and all places where cows are kept by persons engaged in the sale of milk ~~or cream~~, and shall require the correction of all insanitary conditions and practices found ~~therein~~.

(b) ~~A refusal or physical threat, refusal, that prevents the completion of an inspection or neglect to obey any a lawful direction of the commissioner, or the commissioner's agent, given in while carrying out the provisions of this section, shall be deemed a misdemeanor may result in the suspension of the offender's permit or certification. The offender is required to meet with a representative of the offender's plant or marketing organization and a representative of the commissioner within 48 hours excluding holidays or weekends or the suspension will take effect. A producer may request a hearing before the commissioner or the commissioner's agent if a serious concern exists relative to the retention of the offender's permit or certification to sell milk.~~

Sec. 3. Minnesota Statutes 1988, section 32.21, subdivision 3, is amended to read:

Subd. 3. [ADULTERATED MILK OR CREAM.] For purposes of this section and section 32.22, milk or cream is adulterated if:

- (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 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 or other bacterial inhibitory substances in amounts above the actionable levels established by rule or under section 32.415.

Sec. 4. Minnesota Statutes 1988, section 32.391, is amended to read:

32.391 [DEFINITIONS; ~~PASTEURIZATION; COOLING AFTER PASTEURIZATION.~~]

Subdivision 1. [~~MILK; SKIM MILK; LOWFAT MILK; FLUID MILK PRODUCTS; GOAT MILK APPLICATION.~~] *The definitions in this section apply to this chapter.*

Subd. 1a. [MILK.] "Milk" is defined as the whole, fresh, clean lacteal secretion, practically free from colostrum, obtained by the complete milking of one or more healthy cows. When prepared for market in final package form for beverage use, milk shall contain not less than 8.7 percent milk solids-not-fat and not less than 3.25 percent of milk fat. The name "milk," unqualified, means cow's milk.

Subd. 1b. [SKIM MILK.] "Skim milk" is milk from which milk fat has been removed so that its milk fat content is less than .25 percent. Skim milk in final package form for beverage use must contain at least nine percent milk solids-not-fat, for a total of at least 9.25 percent milk solids. Skim milk may be homogenized.

Subd. 1c. [LOWFAT MILK.] "Lowfat milk" is milk from which milk fat has been removed so that its milk fat content is ~~either one or~~ *from one-half to* two percent, within limits of good manufacturing practices. Lowfat milk in final package form for beverage use must contain at least ten percent milk solids-not-fat. Lowfat milk may be homogenized.

Milk solids-not-fat may be added to fluid milk products to meet the above standards from the following sources: partially-skimmed milk, skim milk, concentrated partially-skimmed milk, concentrated skim milk, and nonfat dry milk, used alone or in any combination.

Subd. 1d. [MILK SOLIDS-NOT-FAT.] "Milk solids-not-fat" is the portion of a milk product that is not water and is not fat as determined by procedures outlined in Standard Methods For The Examination Of Dairy Products (~~fifteenth~~ *current* edition).

Subd. 1e. [FLUID MILK PRODUCTS.] "Fluid milk products" ~~shall be taken to mean and include means~~ cream, sour cream, half and half, reconstituted half and half, concentrated milk, concentrated milk products, skim milk, nonfat milk, chocolate flavored milk, chocolate flavored drink, chocolate flavored reconstituted milk, chocolate flavored reconstituted drink, buttermilk, cultured buttermilk, cultured milk, vitamin D milk, reconstituted or recombined milk, reconstituted cream, reconstituted skim milk, homogenized milk, and any other fluid milk product made by the addition of any substance to milk or to any of the above enumerated fluid milk products, when the same is declared to be a fluid milk product by rule promulgated by the commissioner.

Subd. 1f. [GOAT MILK.] "Goat milk" is a whole, fresh, clean lacteal secretion free from colostrum, obtained by the complete milking of one or more healthy goats.

Subd. 1g. [SHEEP MILK.] "*Sheep milk*" is a whole, fresh, clean lacteal secretion free from colostrum, obtained by the complete milking of one or more healthy sheep.

Subd. 2. [PASTEURIZATION.] (a) The terms "pasteurization," "pasteurized," and similar terms ~~shall be taken to refer (a) to mean:~~

(1) the process of heating every particle of milk, fluid milk products, ~~or~~ goat milk, *or sheep milk*, in properly operated equipment approved by the commissioner, to a temperature of ~~at least 143~~ 145 degrees Fahrenheit and holding ~~such~~ the temperature for at least 30 minutes; ~~or (b) to:~~

(2) the process of heating every particle of milk, fluid milk products, ~~or~~ goat milk, *or sheep milk*, in properly operated equipment approved by the commissioner, to a temperature of at least 161 degrees Fahrenheit and

holding ~~such~~ the temperature for at least 15 seconds, ~~or (e) to; or~~

(3) the process of heating every particle of milk, fluid milk products, ~~or goat milk, or sheep milk,~~ in properly operated equipment approved by the commissioner, to ~~such~~ the temperatures and holding for ~~such~~ the times as the commissioner may prescribe by rule adopted in accordance with law containing standards more stringent than those imposed by this subdivision.

(b) Nothing contained in this definition shall be construed as excluding any other process which has been demonstrated to be equally efficient and is approved by the commissioner.

Subd. 3. [COOLING AFTER PASTEURIZATION.] Immediately following pasteurization, all milk, fluid milk products ~~and, goat milk, and sheep milk~~ shall be cooled, in properly operated equipment approved by the commissioner, to a temperature of ~~50~~ 45 degrees Fahrenheit or lower, and maintained at ~~50~~ 45 degrees Fahrenheit or lower until delivered; provided, however, that if the milk, fluid milk products, ~~or goat milk, or sheep milk~~ is to be cultured immediately after pasteurization, then such cooling may be delayed until after the culturing process is completed; provided further that the commissioner may prescribe by rule adopted in accordance with law standards more stringent than those imposed by this subdivision.

Sec. 5. Minnesota Statutes 1988, section 32.393, is amended to read:
32.393 [LIMITATION ON SALE.]

Subdivision 1. [PASTEURIZATION.] No milk, fluid milk products, ~~or goat milk, or sheep milk~~ shall be sold, advertised, offered or exposed for sale or held in possession for sale for the purpose of human consumption in fluid form in this state unless the same has been pasteurized and cooled, as defined in section 32.391; provided, that this section shall not apply to milk, cream, skim milk, ~~or goat milk, or sheep milk~~ occasionally secured or purchased for personal use by any consumer at the place or farm where the milk is produced.

Subd. 2. [LABELS.] All pasteurized milk, fluid milk products, ~~or goat milk, or sheep milk~~ sold, offered or exposed for sale or held in possession for sale shall be labeled or otherwise designated as pasteurized milk, pasteurized fluid milk products, ~~or pasteurized goat milk, or pasteurized sheep milk,~~ and in case of pasteurized fluid milk products the label shall also state the name of the specific product.

Sec. 6. Minnesota Statutes 1988, section 32.394, subdivision 1, is amended to read:

Subdivision 1. [GRADE A PASTEURIZED BACTERIA COUNTS.] Grade A pasteurized milk, fluid milk products and goat milk are Grade A raw milk, fluid milk products and goat milk for pasteurization which have been pasteurized, cooled and prepared for distribution in a dairy plant approved by the commissioner, the bacterial count of which at no time after pasteurization and until delivery exceeds ~~30,000~~ 20,000 bacteria per milliliter, standard plate count, as determined by averaging the logarithms of the results of the last four consecutive tests of samples taken on separate days, ~~except that such average may be over 30,000 bacteria per milliliter if the last individual result is 30,000 bacteria per milliliter or lower, and not more than one of the last four coliform counts of which shall exceed 10 per milliliter unless the last individual result is 10 per milliliter or lower; provided, that. The coliform count must not exceed ten per milliliter except~~

that bulk tank transport shipments must not exceed 100 per milliliter. The standard plate count standard shall be omitted in the case of sour cream, cultured buttermilk, other cultured fluid milk products and cultured goat milk; provided further that the commissioner may prescribe standards and rules adopted in accordance with law more stringent than those imposed by this subdivision.

Sec. 7. Minnesota Statutes 1988, section 32.394, subdivision 2, is amended to read:

Subd. 2. [GRADE A RAW BACTERIA COUNTS.] Grade A raw milk or goat milk for pasteurization purposes is raw milk or goat milk which complies with all the requirements for its production, the bacterial count of which does not exceed ~~200,000~~ 100,000 bacteria per milliliter, ~~standard plate count or direct microscopic clump count, as determined by averaging the logarithms of the results of the last four consecutive tests of samples taken on separate days, except that such average may be over 200,000 bacteria per milliliter if the last individual result is 200,000 bacteria per milliliter or lower; provided that prior to commingling with other producer milk at which time the bacteria count must not exceed 300,000 per milliliter prior to pasteurization.~~ The commissioner may prescribe standards and rules adopted in accordance with law more stringent than those imposed by this subdivision.

Sec. 8. Minnesota Statutes 1988, section 32.394, subdivision 4, is amended to read:

Subd. 4. [RULES.] The commissioner shall by rule promulgate identity, production and processing standards for milk, milk products and goat milk which are intended to bear the Grade A label.

In the exercise of the authority to establish requirements for Grade A milk, milk products and goat milk, the commissioner may adopt definitions, standards of identity, and requirements for production and processing ~~recommended by contained in the "Grade A Pasteurized Milk Ordinance" of the United States public health service Department of Health and Human Services,~~ in a manner provided for and not in conflict with law.

Sec. 9. Minnesota Statutes 1988, section 32.394, is amended by adding a subdivision to read:

Subd. 8c. [GRADE A OR MANUFACTURING GRADE RAW MILK.] *Grade A or manufacturing grade raw milk must not have been stored longer than 72 hours when it is picked up at the farm by the receiving plant. On farms permitted or certified for bulk tank storage, the milk may only be picked up from approved bulk milk tanks in proper working order.*

Sec. 10. Minnesota Statutes 1988, section 32.415, is amended to read:
32.415 [MILK FOR MANUFACTURING; QUALITY STANDARDS.]

~~In order~~ (a) *The commissioner may adopt rules to provide uniform quality standards, and producers of milk used for manufacturing purposes shall conform to the standards contained in Subparts D, E, and F of the United States Department of Agriculture Consumer and Marketing Service Recommended Requirements for Milk for Manufacturing Purposes and its Production and Processing, Vol. 37 Federal Register, No. 68, Part II, April 7, 1972, with the following exceptions:*

(a) (1) *inspections of producers shall begin not later than January 1,*

1984;

(b) (2) producers shall comply with the standards not later than July 1, 1985, except as otherwise allowed under the standards; and

(e) (3) the commissioner shall develop methods by which producers can comply with the standards without violation of religious beliefs. ~~The commissioner may adopt rules, including emergency rules, for the purpose of this clause.~~

(b) The commissioner of agriculture shall perform or contract for the performance of the inspections necessary to implement this section or shall certify dairy industry personnel to perform the inspections.

(c) The commissioner and other employees of the department shall make every reasonable effort to assist producers in achieving the milk quality standards at minimum cost and to use the experience and expertise of the University of Minnesota and the agricultural extension service to assist producers in achieving the milk quality standards in the most cost-effective manner.

(d) The commissioner of agriculture shall consult with producers, processors, and others involved in the dairy industry in order to prepare for the implementation of this section including development of informational and educational materials, meetings, and other methods of informing producers about the implementation of standards under this section."

Delete the title and insert:

"A bill for an act relating to agriculture; adopting federal fishery product regulations as state rules for state inspections; providing sanctions for refusal to allow certain dairy inspections; providing laboratory procedures by rule for certain milk and cream testing; defining sheep milk; prescribing pasteurization and certain labeling for sheep milk; prescribing bacteria counts for certain dairy products; amending Minnesota Statutes 1988, sections 32.21, subdivision 3; 32.391; 32.393; 32.394, subdivisions 1, 2, 4, and by adding a subdivision; 32.415; Minnesota Statutes 1989 Supplement, sections 31.101, by adding a subdivision; and 32.103."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

H.F. No. 1927: A bill for an act relating to traffic regulations; regulating approaches of vehicles to certain intersections; amending Minnesota Statutes 1988, section 169.20, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 169.041, subdivision 4, is amended to read:

Subd. 4. [TOWING ALLOWED.] A towing authority may tow a motor vehicle without regard to the four-hour waiting period if:

- (1) the vehicle is parked in violation of snow emergency regulations;
- (2) the vehicle is parked in a rush-hour restricted parking area;

(3) the vehicle is blocking a driveway, alley, or fire hydrant;

(4) the vehicle is parked in a bus lane where parking is prohibited;

(5) the vehicle is parked within 30 feet of a stop sign and visually blocking the stop sign;

(6) the vehicle is parked in a handicap transfer zone or handicapped parking space without a handicapped parking certificate or handicapped license plates;

(7) the vehicle is parked in an area that has been posted for temporary restricted parking at least 24 hours in advance;

(8) the vehicle is parked within the right-of-way of a controlled access highway or within the traveled portion of a public street when travel is allowed there;

(9) the vehicle is unlawfully parked in a zone that is restricted by posted signs to use by fire, police, public safety, or emergency vehicles;

(10) the vehicle is unlawfully parked on property at the Minneapolis-St. Paul International Airport owned by the metropolitan airports commission;

(11) a law enforcement official has probable cause to believe that the vehicle is stolen, or that the vehicle constitutes or contains evidence of a crime and impoundment is reasonably necessary to obtain or preserve the evidence;

(12) the driver, operator, or person in physical control of the vehicle is taken into custody and the vehicle is impounded for safekeeping; ~~or~~

(13) a law enforcement official has probable cause to believe that the owner, operator, or person in physical control of the vehicle has failed to respond to five or more citations for parking or traffic offenses; *or*

(14) the vehicle is unlawfully parked in a zone that is restricted by posted signs to use by taxicabs."

Page 1, line 14, delete "*none*" and insert "*neither*" and delete "*are*" and insert "*is a*" and delete the second "*highways*" and insert "*highway*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "allowing immediate towing of vehicles unlawfully parked in taxicab zones;"

Page 1, line 4, after "1" insert "; Minnesota Statutes 1989 Supplement, section 169.041, subdivision 4"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 2212: A bill for an act relating to drivers' licenses; providing for electronically produced images on drivers' licenses; amending Minnesota Statutes 1988, sections 171.07, subdivisions 1a and 6; and 171.071; Minnesota Statutes 1989 Supplement, section 171.07, subdivisions 1 and 3.

Reports the same back with the recommendation that the bill be amended

as follows:

Page 3, after line 26, insert:

“Sec. 6. Minnesota Statutes 1989 Supplement, section 171.18, is amended to read:

171.18 [SUSPENSION.]

The commissioner shall have authority to and may suspend the license of any driver without preliminary hearing upon a showing by department records or other sufficient evidence that the licensee:

(1) Has committed an offense for which mandatory revocation of license is required upon conviction; or

(2) Has been convicted by a court of competent jurisdiction for violation of a provision of the highway traffic regulation act or an ordinance regulating traffic and where it appears from department records that the violation for which the licensee was convicted contributed in causing an accident resulting in the death or personal injury of another, or serious property damage; or

(3) Is an habitually reckless or negligent driver of a motor vehicle; or

(4) Is an habitual violator of the traffic laws; or

(5) Is incompetent to drive a motor vehicle as determined and adjudged in a judicial proceeding; or

(6) Has permitted an unlawful or fraudulent use of such license; or

(7) Has committed an offense in another state which, if committed in this state, would be grounds for suspension; or

(8) Has committed a violation of section 171.22; or

(9) Has failed to appear in court as provided in section 169.92, subdivision 4; or

(10) has failed to report a medical condition that if reported would have resulted in cancellation of driving privileges.

Provided, however, that any action taken by the commissioner under subparagraphs (2) and (5) shall conform to the recommendation of the court when made in connection with the prosecution of the licensee.

Upon suspending the license of any person, as hereinbefore in this section authorized, the department shall immediately notify the licensee, in writing, by depositing in the United States post office a notice addressed to the licensee at the licensee's last known address, with postage prepaid thereon, and the licensee's written request shall afford the licensee an opportunity for a hearing within not to exceed 20 days after receipt of such request in the county wherein the licensee resides, unless the department and the licensee agree that such hearing may be held in some other county. Upon such hearing the commissioner, or duly authorized agent, may administer oaths and issue subpoenas for the attendance of witnesses and the production of relevant books and papers, and may require a reexamination of the licensee. Upon such hearing the department shall either rescind its order of suspension or, good cause appearing therefor, may extend the suspension of such license or revoke such license. The department shall not suspend a license for a period of more than one year.”

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "allowing commissioner to suspend a driver's license for failure to report certain medical conditions;"

Page 1, line 6, delete "section" and insert "sections" and after "3" insert "; and 171.18"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 2084: A bill for an act relating to motor vehicles; providing for temporary permit while awaiting delivery of special vehicle license plates; requiring registered owner of motor vehicle to list address of primary residence on application for registration; clarifying when inspection fee must be paid to receive certificate of inspection for salvage vehicle; clarifying disclosure requirements for motor vehicle pollution control system; amending Minnesota Statutes 1988, sections 168.09, by adding a subdivision; 168.10, subdivision 1; and 325E.0951, subdivision 3a; Minnesota Statutes 1989 Supplement, section 168A.152, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 18, delete "*Notwithstanding any law to the contrary,*"

Page 1, line 20, after "168.123;" insert "168.124;"

Page 1, line 28, delete "as" and insert "*prescribed by*" and delete "may"

Page 1, line 29, delete "*determine*" and delete the comma

Page 2, line 2, delete "*Each*" and insert "*The*" and after "*which*" insert "*it was*"

Page 3, line 16, reinstate the stricken "before the department" and delete "after" and insert "*issues a certificate of title for a vehicle that has been inspected and for which a certificate of inspection has been issued pursuant to*"

Page 3, line 17, delete the new language and strike "inspection under"

Page 3, line 18, delete the new language

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 2356: A bill for an act relating to transportation; providing greater restrictions on eligibility of debarred persons for certain public contracts; allowing regional development commissions to receive state financial assistance for public transit programs; increasing scope of interstate motor carrier registration agreements; amending Minnesota Statutes 1988, sections 161.315, subdivisions 2 and 3; 174.24, subdivision 2; 174.32, subdivision 3; Minnesota Statutes 1989 Supplement, section 221.601, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 5, after "(4)" insert "*when*" and delete "*who*"

Page 3, lines 7 and 8, delete "*formed to do business as a contractor, subcontractor, or material supplier*"

Page 3, line 9, delete "*it*" and insert "*the entity*" and delete "*was*" and insert "*is*" and delete "*from*"

Page 3, line 10, delete "*contracting*" and insert "*to contract*" and delete "*shall remain*" and insert "*the sold or transferred entity remains*"

Page 3, line 11, delete "*from obtaining*" and insert "*for*" and delete "*debarment*"

Page 3, delete line 12 and insert "*seller's or transferor's debarment.*"

Page 3, delete sections 3 and 4

Page 4, line 3, after "*enter*" insert "*into*"

Page 4, line 9, before "*cancellation*" insert "*insurance*"

Page 4, lines 10 and 11, delete "*suspend and reinstate carriers*" and insert "*issue suspension and reinstatement orders or notices*"

Page 4, line 25, delete "5" and insert "3"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "*allowing regional*"

Page 1, delete line 5

Page 1, line 6, delete everything before "*increasing*"

Page 1, line 8, delete "*sections*" and insert "*section*"

Page 1, line 9, delete everything after "3;"

Page 1, line 10, delete "174.32, subdivision 3;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 2147: A bill for an act relating to transportation; exempting fertilizer and agricultural chemical retailers from certain regulations on transporting hazardous materials; amending Minnesota Statutes 1988, section 221.033, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 221.031, subdivision 2a, is amended to read:

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 and equipment*, except as provided in paragraph (b).

(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."

Page 1, line 26, delete everything after "employees" and insert "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 to June 1, 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."

Page 2, delete lines 1 to 6

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "making certain private carriers subject to driver qualification rules;"

Page 1, line 6, after "2" insert "; Minnesota Statutes 1989 Supplement, section 221.031, subdivision 2a"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1905: A bill for an act relating to human services; clarifying the definition of mentally retarded person in the Minnesota Commitment Act; amending Minnesota Statutes 1988, section 253B.02, subdivision 14.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 19, insert:

"Sec. 2. Minnesota Statutes 1988, section 253B.12, subdivision 4, is amended to read:

Subd. 4. [HEARING; STANDARD OF PROOF] The committing court shall not make a final determination of the need to continue commitment unless a hearing is held and the court finds by clear and convincing evidence that (1) the person continues to be mentally ill, mentally retarded or chemically dependent; (2) involuntary commitment is necessary for the protection of the patient or others; and (3) there is no alternative to involuntary commitment.

In determining whether a person continues to be mentally ill, *mentally retarded*, or *chemically dependent*, the court need not find that there has been a recent attempt or threat to physically harm self or others, or a recent

failure to provide necessary personal food, clothing, shelter, or medical care. Instead, the court must find that the patient is likely to attempt to physically harm self or others, or to fail to provide necessary personal food, clothing, shelter, or medical care unless involuntary commitment is continued.

Sec. 3. Minnesota Statutes 1988, section 253B.23, subdivision 7, is amended to read:

Subd. 7. [APPEAL.] The commissioner or any other aggrieved party may appeal to the court of appeals from any order entered under this chapter as in other civil cases.

Upon perfection of the appeal, the return shall be filed forthwith. The court of appeals shall hear the appeal within 45 60 days after service of the notice of appeal. This appeal shall not suspend the operation of the order appealed from until the appeal is determined, unless otherwise ordered by the court of appeals.”

Amend the title as follows:

Page 1, line 4, after the semicolon, insert “clarifying findings needed in a hearing on continued commitment; increasing the time within which commitment appeals must be heard;”

Page 1, line 5, delete “section” and insert “sections” and before the period, insert “; 253B.12, subdivision 4; and 253B.23, subdivision 7”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 1995: A bill for an act relating to insurance; property and casualty; requiring compensation to certain agents upon termination; proposing coding for new law in Minnesota Statutes, chapter 60A.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [60A.176] [DEFINITIONS.]

Subdivision 1. [APPLICATION.] *The definitions in this section apply to sections 1 and 2.*

Subd. 2. [AGENCY.] *“Agency” means an agency contractual relationship that has been in effect five years or more.*

Subd. 3. [AGENT.] *“Agent” means an agent who is not an employee of the insurer and who writes 80 percent or more of the agent’s business through one insurer or its subsidiaries.*

Subd. 4. [INSURER.] *“Insurer” means an insurance company writing property or casualty loss insurance in this state through agents.*

Sec. 2. [60A.177] [INVOLUNTARY TERMINATION OF AN AGENT BY THE INSURER.]

Subdivision 1. [TERMINATION REVIEW PROCESS.] *An insurer shall establish a termination review process for an agent involuntarily terminated by the insurer. The review process is available for use at the option of the agent. The review process must be completed within 15 days of the*

request or before the date of termination, whichever is later.

Subd. 2. [NOTICE; HEARING.] If an agent is terminated by an insurer, the agent may request a hearing before the board of review. If an insurer initiates the termination of an agent's agreement, the written notice of termination must advise the agent of the agent's right to a hearing before the board of review. Upon receipt of an agent's request for a hearing, the commissioner shall establish a hearing date within 30 days of the request or longer with the approval of the agent and the insurer. The agent and the insurer shall be notified in writing of the date, time, and place of the hearing.

Subd. 3. [BOARD OF REVIEW.] A three-member board of review shall be selected from a list of ten agents and ten insurer representatives compiled by the commissioner. One member shall be selected by the agent, one by the insurer, and one by the commissioner. The board member selected by the agent may not be a relative of the agent. The board members selected by the agent and insurer may not be presently or formerly associated with an insurer represented by the agent. An insurer is immune from civil liability to the agent for disclosures made at the hearing. This immunity does not extend to disclosures made in bad faith or with knowledge of their falseness.

Subd. 4. [BOARD'S DETERMINATION.] Upon completion of the hearing, the board of review shall determine if the termination of the agent's agreement is justified. If in the opinion of the board of review an involuntary termination is not justified, and in the absence of a reasonable contractual financial provision for termination as determined by the commissioner, the commissioner shall order the insurer to pay an amount of compensation that the commissioner considers appropriate to the agent.

If in the opinion of the board of review a voluntary termination was not voluntary and the insurer is not justified in terminating the agent's agreement, and in the absence of a reasonable contractual financial provision for termination as determined by the commissioner, the commissioner shall order the insurer to pay an amount of compensation that the commissioner considers appropriate to the agent.

Subd. 5. [APPEAL.] An order of the commissioner under subdivision 4 may be appealed to district court by either party for a trial de novo. If the insurer appeals and the agent prevails, the insurer is responsible for the agent's legal fees as approved by the court.

Subd. 6. [CIVIL PENALTY.] A person who intimidates or coerces a member of the board of review is subject to a civil penalty imposed by the commissioner in an amount not to exceed \$25,000.

Subd. 7. [EXEMPTION.] This section does not apply to an agent whose license has expired, is revoked, or is currently under suspension.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

Amend the title as follows:

Page 1, delete line 3

Page 1, line 4, delete "termination" and insert "regulating terminations of agents; prescribing a penalty"

And when so amended the bill do pass. Amendments adopted. Report

adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2407 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2407	2481				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2407 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2407 and insert the language after the enacting clause of S.F. No. 2481, the first engrossment; further, delete the title of H.F. No. 2407 and insert the title of S.F. No. 2481, the first engrossment.

And when so amended H.F. No. 2407 will be identical to S.F. No. 2481, and further recommends that H.F. No. 2407 be given its second reading and substituted for S.F. No. 2481, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2336 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2336	1890				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2002 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2002	1967				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2650 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
		2650	2455		

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2650 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2650 and insert the language after the enacting clause of S.F. No. 2455, the first engrossment; further, delete the title of H.F. No. 2650 and insert the title of S.F. No. 2455, the first engrossment.

And when so amended H.F. No. 2650 will be identical to S.F. No. 2455, and further recommends that H.F. No. 2650 be given its second reading and substituted for S.F. No. 2455, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1785 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1785	2141				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1785 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1785 and insert the language after the enacting clause of S.F. No. 2141, the first engrossment; further, delete the title of H.F. No. 1785 and insert the title of S.F. No. 2141, the first engrossment.

And when so amended H.F. No. 1785 will be identical to S.F. No. 2141, and further recommends that H.F. No. 1785 be given its second reading

and substituted for S.F. No. 2141, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2508 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2508	2314				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2645 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2645	2549				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1850, 2541, 2384, 2421, 1986, 2072, 2355, 1955, 1936, 1937, 2026, 2297, 1770, 1902, 2212, 2084, 2356, 2147, 1905 and 1995 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 2149, 1893, 1989, 1927, 2407, 2336, 2002, 2650, 1785, 2508 and 2645 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Dicklich moved that the name of Mr. Piepho be added as a co-author to S.F. No. 2278. The motion prevailed.

Mr. Marty moved that the name of Mr. Diessner be added as a co-author to S.F. No. 2391. The motion prevailed.

Mr. Bertram introduced—

Senate Resolution No. 165: A Senate resolution congratulating the Paynesville High School Wrestling Team for winning the 1990 State High School Class A Wrestling Tournament.

Referred to the Committee on Rules and Administration.

CALENDAR

H.F. No. 2143: A bill for an act relating to crimes; defining "crime" for purposes of crime victims reparations; amending Minnesota Statutes 1988, section 611A.52, subdivision 6.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.E.	McQuaid	Pogemiller
Anderson	DeCramer	Johnson, D.J.	Mehrrens	Ramstad
Beckman	Dicklich	Knaak	Merriam	Renneke
Belanger	Diessner	Knutson	Metzen	Samuelson
Benson	Flynn	Kroening	Moe, R.D.	Schmitz
Berg	Frank	Laidig	Morse	Spear
Bernhagen	Frederick	Langseth	Olson	Storm
Bertram	Frederickson, D.J.	Lantry	Pariseau	Stumpf
Brandl	Frederickson, D.R.	Larson	Pehler	Vickerman
Brataas	Freeman	Lessard	Peterson, R.W.	Waldorf
Cohen	Gustafson	Luther	Piepho	
Dahl	Hughes	McGowan	Piper	

So the bill passed and its title was agreed to.

S.F. No. 1752: A bill for an act relating to railroads; establishing standard for abandonment of tracks; clarifying standard for abandonment of shops, terminals, and stations; amending Minnesota Statutes 1988, sections 219.681; 219.71; and 219.85.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Hughes	McGowan	Piper
Anderson	Decker	Johnson, D.E.	McQuaid	Pogemiller
Beckman	DeCramer	Johnson, D.J.	Mehrrens	Purfeerst
Belanger	Dicklich	Knaak	Merriam	Ramstad
Benson	Diessner	Knutson	Metzen	Renneke
Berg	Flynn	Kroening	Moe, R.D.	Samuelson
Bernhagen	Frank	Laidig	Morse	Schmitz
Bertram	Frederick	Langseth	Olson	Spear
Brandl	Frederickson, D.J.	Lantry	Pariseau	Storm
Brataas	Frederickson, D.R.	Larson	Pehler	Stumpf
Cohen	Freeman	Lessard	Peterson, R.W.	Vickerman
Dahl	Gustafson	Luther	Piepho	Waldorf

So the bill passed and its title was agreed to.

H.F. No. 1555: A bill for an act relating to fees; providing for fees charged by county recorder; amending Minnesota Statutes 1988, section 357.18, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.J.	Mehrkens	Purfeerst
Anderson	DeCramer	Knaak	Merriam	Ramstad
Beckman	Dicklich	Knutson	Metzen	Renneke
Belanger	Diessner	Kroening	Moe, D.M.	Samuelson
Benson	Flynn	Laidig	Moe, R.D.	Schmitz
Berg	Frank	Langseth	Morse	Spear
Bernhagen	Frederick	Lantry	Olson	Storm
Bertram	Frederickson, D.J.	Larson	Pariseau	Stumpf
Brandl	Frederickson, D.R.	Lessard	Pehler	Vickerman
Brataas	Freeman	Luther	Peterson, R.W.	Waldorf
Cohen	Gustafson	Marty	Piepho	
Dahl	Hughes	McGowan	Piper	
Davis	Johnson, D.E.	McQuaid	Pogemiller	

So the bill passed and its title was agreed to.

S.F. No. 1686: A bill for an act relating to education; allowing school boards to hold school on Saturdays; amending Minnesota Statutes 1988, section 126.12, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.J.	Mehrkens	Purfeerst
Anderson	DeCramer	Knaak	Merriam	Ramstad
Beckman	Dicklich	Knutson	Metzen	Renneke
Belanger	Diessner	Kroening	Moe, D.M.	Samuelson
Benson	Flynn	Laidig	Moe, R.D.	Schmitz
Berg	Frank	Langseth	Morse	Spear
Bernhagen	Frederick	Lantry	Olson	Storm
Bertram	Frederickson, D.J.	Larson	Pariseau	Stumpf
Brandl	Frederickson, D.R.	Lessard	Pehler	Vickerman
Brataas	Freeman	Luther	Peterson, R.W.	Waldorf
Cohen	Gustafson	Marty	Piepho	
Dahl	Hughes	McGowan	Piper	
Davis	Johnson, D.E.	McQuaid	Pogemiller	

So the bill passed and its title was agreed to.

S.F. No. 2048: A bill for an act relating to education; clarifying legislative intent concerning corporal punishment; amending Minnesota Statutes 1989 Supplement, section 127.45.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.J.	Mehrkens	Purfeerst
Anderson	DeCramer	Knaak	Merriam	Ramstad
Beckman	Dicklich	Knutson	Metzen	Renneke
Belanger	Diessner	Kroening	Moe, D.M.	Samuelson
Benson	Flynn	Laidig	Moe, R.D.	Schmitz
Berg	Frank	Langseth	Morse	Spear
Bernhagen	Frederick	Lantry	Olson	Storm
Bertram	Frederickson, D.J.	Larson	Pariseau	Stumpf
Brandl	Frederickson, D.R.	Lessard	Pehler	Vickerman
Brataas	Freeman	Luther	Peterson, R.W.	Waldorf
Cohen	Gustafson	Marty	Piepho	
Dahl	Hughes	McGowan	Piper	
Davis	Johnson, D.E.	McQuaid	Pogemiller	

So the bill passed and its title was agreed to.

S.F. No. 1886: A bill for an act relating to agriculture; establishing the Minnesota forage task force.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.J.	Mehrkens	Purfeerst
Anderson	DeCramer	Knaak	Merriam	Ramstad
Beckman	Dicklich	Knutson	Metzen	Renneke
Belanger	Diessner	Kroening	Moe, D.M.	Samuelson
Benson	Flynn	Laidig	Moe, R.D.	Schmitz
Berg	Frank	Langseth	Morse	Spear
Bernhagen	Frederick	Lantry	Olson	Storm
Bertram	Frederickson, D.J.	Larson	Pariseau	Stumpf
Brandl	Frederickson, D.R.	Lessard	Pehler	Vickerman
Brataas	Freeman	Luther	Peterson, R.W.	Waldorf
Cohen	Gustafson	Marty	Piepho	
Dahl	Hughes	McGowan	Piper	
Davis	Johnson, D.E.	McQuaid	Pogemiller	

So the bill passed and its title was agreed to.

S.F. No. 1870: A bill for an act relating to horse racing; increasing per diem rate for racing commissioners; requiring licenses for pari-mutuel clerks at county fairs; apportioning money for promotion of the breeding and racing industry; allowing supervision of administration of certain medications by designated persons; prohibiting acceptance of bets by telephone; reducing state tax withholding on pari-mutuel winnings; amending Minnesota Statutes 1988, sections 240.02, subdivision 3; 240.09, subdivision 2; 240.13, subdivision 8; 240.18; 240.24, subdivision 2; and 290.92, subdivision 27.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 4, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Johnson, D.J.	McQuaid	Pogemiller
Anderson	Dicklich	Knaak	Mehrken	Purfeerst
Beckman	Diessner	Knutson	Metzen	Ramstad
Belanger	Flynn	Kroening	Moe, D.M.	Reichgott
Benson	Frank	Laidig	Moe, R.D.	Renneke
Berg	Frederick	Langseth	Morse	Samuelson
Bernhagen	Frederickson, D.J.	Lantry	Olson	Schmitz
Brataas	Frederickson, D.R.	Larson	Pariseau	Spear
Cohen	Freeman	Lessard	Pehler	Storm
Dahl	Gustafson	Luther	Peterson, R. W.	Stumpf
Davis	Hughes	Marty	Piepho	Vickerman
Decker	Johnson, D.E.	McGowan	Piper	

Messrs. Bertram, Brandl, Merriam and Waldorf voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1729: A bill for an act relating to traffic regulations; requiring motorists to activate vehicle lights during inclement weather conditions; amending Minnesota Statutes 1988, section 169.48.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.J.	McQuaid	Pogemiller
Anderson	DeCramer	Knaak	Mehrken	Purfeerst
Beckman	Dicklich	Knutson	Metzen	Ramstad
Belanger	Diessner	Kroening	Moe, D.M.	Reichgott
Benson	Flynn	Laidig	Moe, R.D.	Renneke
Bernhagen	Frank	Langseth	Morse	Samuelson
Bertram	Frederick	Lantry	Olson	Schmitz
Brandl	Frederickson, D.J.	Larson	Pariseau	Spear
Brataas	Frederickson, D.R.	Lessard	Pehler	Storm
Cohen	Freeman	Luther	Peterson, R. W.	Stumpf
Dahl	Gustafson	Marty	Piepho	Vickerman
Davis	Johnson, D.E.	McGowan	Piper	Waldorf

Mr. Berg voted in the negative.

So the bill passed and its title was agreed to.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Pehler in the chair.

After some time spent therein, the committee arose, and Mr. Pehler reported that the committee had considered the following:

S.F. Nos. 2046, 1879, 1980, 1927, 2090, 2172, 2281, 2208, 2039, 1920, 2079, 2264, 1551, 1768, 1726, 2119, 2373, 2179, 2024, 1162, 2424, 2381, 2224, 2216, 2302, 2229, 1739, 1983, 1897, 838, 1150, 1968, 2354, 2159, 1822 and H.F. Nos. 2188, 1895, which the committee recommends to pass.

S.F. No. 1753, which the committee recommends be re-referred to the Committee on Judiciary.

S.F. No. 1851, which the committee recommends to pass with the following amendment offered by Mr. Pehler:

Page 1, line 11, delete everything after the period

Page 1, delete line 12

Page 1, line 13, delete everything before the second "The"

The motion prevailed. So the amendment was adopted.

S.F. No. 2092, which the committee recommends to pass with the following amendment offered by Mr. Johnson, D.J.:

Page 2, after line 4, insert:

"Sec. 2. Laws 1988, chapter 645, section 2, is amended to read:

Sec. 2. [OFFICERS.]

Notwithstanding Minnesota Statutes, section 447.32, subdivision 1, the hospital district created under this act shall be governed by a board composed of one member elected from each city and town in the district, two members ~~elected at large from~~ *appointed by the St. Louis county board to represent the aggregate of the unorganized townships in St. Louis county listed in section 1, subdivision 1, and one member elected at large from* ~~appointed by the Koochiching county board to represent the aggregate of the unorganized townships in Koochiching county listed in section 1, subdivision 2.~~

Sec. 3. [CONTINUATION OF EFFECT.]

Notwithstanding Minnesota Statutes, section 645.021, subdivision 3, Laws 1988, chapter 645, is not deemed to be disapproved because of a failure by one or more governmental units to comply with the filing requirements of Minnesota Statutes, section 645.021, subdivision 3, if those requirements are met by January 8, 1991.

Sec. 4. [EFFECTIVE DATE.]

Sections 2 and 3 are effective the day following final enactment."

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 2127, which the committee recommends to pass with the following amendment offered by Mr. Bernhagen:

Page 2, line 18, delete everything after "transportation"

Page 2, delete lines 19 to 21 and insert "*should consider the use of trees in place of solid noise walls to the maximum extent practical.*"

Page 2, line 32, after "require" insert "*of the developer*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1104, which the committee reports progress, subject to the following motion:

Mr. Laidig moved to amend S.F. No. 1104 as follows:

Page 3, line 8, after the period, insert "*Anatomical gift does not include donation of all or part of an unborn child or newborn child who has been the subject of an induced abortion.*"

"Induced abortion" means the termination of the pregnancy of a woman known to be pregnant, if the termination is intended to accomplish something other than to increase the probability of a live birth, to preserve the life or health of the child after live birth, or to remove a dead unborn

child.

Use of all or part of a human body of an unborn child or newborn child who has been the subject of an induced abortion is prohibited."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 42 and nays 21, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	McGowan	Renneke
Anderson	Davis	Johnson, D.J.	McQuaid	Samuelson
Beckman	DeCramer	Knutson	Mehrkens	Schmitz
Belanger	Frank	Kroening	Merriam	Stumpf
Benson	Frederick	Laidig	Metzen	Vickerman
Bernhagen	Frederickson, D.J.	Langseth	Olson	Waldorf
Bertram	Frederickson, D.R.	Lantry	Pariseau	
Brandl	Gustafson	Larson	Pehler	
Chmielewski	Hughes	Lessard	Piepho	

Those who voted in the negative were:

Berglin	Diessner	Marty	Pogemiller	Storm
Brataas	Flynn	Morse	Purfeerst	
Cohen	Freeman	Novak	Ramstad	
Decker	Knaak	Peterson, R. W.	Reichgott	
Dicklich	Luther	Piper	Spear	

The motion prevailed. So the amendment was adopted.

S.F. No. 1104 was then progressed.

S.F. No. 772, which the committee recommends to pass with the following amendment offered by Mrs. Pariseau:

Page 2, after line 1, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective November 15, 1990."

The motion prevailed. So the amendment was adopted.

S.F. No. 2383, which the committee recommends to pass with the following amendment offered by Mr. Knaak:

Page 1, delete sections 1 and 2

Page 1, delete line 23 and insert:

"Section 1. [465.79] [ESTABLISHMENT OF BOUNDARY COMMISSION.]"

Page 2, line 1, delete "*the city of Upsala*" and insert "*a statutory or home rule charter city*"

Page 2, line 2, delete "*Morrison*" and insert "*the*" and after "*county*" insert "*or counties in which the city is located*"

Page 2, line 14, delete "*Upsala*"

Page 2, line 21, delete "*in Morrison county*"

Page 2, line 32, delete "*of Upsala*"

Pages 2 and 3, delete section 4

Amend the title as follows:

Page 1, line 2, delete "the city of Upsala" and insert "cities"

Page 1, line 3, delete "a" and delete "commission" and insert "commissions; proposing coding for new law in Minnesota Statutes, chapter 465"

The motion prevailed. So the amendment was adopted.

S.F. No. 2267, which the committee recommends to pass with the following amendment offered by Mr. Benson:

Page 1, line 7, after "*mandate*," insert "*or*" and after "*require*" delete the comma

Page 1, line 8, delete "*or suggest to*" and delete "*that the peace officer*" and insert "*to*"

The motion prevailed. So the amendment was adopted.

H.F. No. 951, which the committee recommends to pass with the following amendment offered by Mr. Dicklich:

Amend H.F. No. 951, the unofficial engrossment, as follows:

Page 4, after line 2, insert:

"Recovery of costs under clause (4) may be made only from the class of customers to which the rate is offered and not from residential customers."

Page 4, line 30, delete "*any other provision of this chapter*" and insert "*section 216B.03, 216B.05, 216B.06, 216B.07, or 216B.16*"

Page 7, line 31, delete "*commission's*" and insert "*department's*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1670, which the committee recommends to pass with the following amendment offered by Mr. McGowan:

Page 1, after line 17, insert:

"Subd. 3. [LAUNCHING OF WATERCRAFT WITH EURASIAN WATER MILFOIL PROHIBITED.] A person may not place a trailer or launch a watercraft with Eurasian water milfoil attached into a body of water. A conservation officer or other licensed peace officer may prevent a trailer or watercraft with Eurasian water milfoil attached from being placed or launched into a body of water."

Renumber the subdivisions in sequence

The motion prevailed. So the amendment was adopted.

S.F. No. 2153, which the committee recommends to pass with the following amendment offered by Mr. Marty:

Page 1, line 11, delete "*aggregate*"

Page 2, line 29, delete "*aggregate*"

The motion prevailed. So the amendment was adopted.

S.F. No. 2115, which the committee recommends to pass with the following amendment offered by Mr. Schmitz:

Page 2, lines 27 and 28, delete "*an act or omission, or performance or failure to perform,*" and insert "*a discretionary duty*"

Page 2, line 29, delete "*clauses (a) and (b)*" and insert "*clause (b)*"

Page 2, delete line 30 and insert "*subdivision 6.*"

The motion prevailed. So the amendment was adopted.

On motion of Mr. Moe, R.D., the report of the Committee of the Whole, as kept by the Secretary, was adopted.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Pogemiller introduced—

S.F. No. 2594: A bill for an act relating to public finance; providing conditions and requirements for the issuance of debt; amending Minnesota Statutes 1988, sections 462C.07, by adding a subdivision; 469.155, by adding a subdivision; 475.66, subdivision 3; and 475.67, subdivision 8; Minnesota Statutes 1989 Supplement, sections 400.101; 473.811, subdivision 2; and 475.60, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 469.

Referred to the Committee on Economic Development and Housing.

Mr. Dicklich introduced—

S.F. No. 2595: A bill for an act relating to public employees; authorizing certain employees to vote on a contract affecting them; amending Minnesota Statutes 1989 Supplement, section 179A.06, subdivision 3.

Referred to the Committee on Governmental Operations.

Mr. Pogemiller introduced—

S.F. No. 2596: A bill for an act relating to alcoholic beverages; authorizing cities and counties to issue licenses permitting on-sale of alcoholic beverages during certain hours when on-sale is otherwise prohibited; amending Minnesota Statutes 1988, section 340A.504, subdivisions 1 and 6; Minnesota Statutes 1989 Supplement, section 340A.504, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 349.

Referred to the Committee on Commerce.

Mr. Stumpf introduced—

S.F. No. 2597: A bill for an act relating to state government; regulating hospital and medical benefits for employees and other eligible persons; allowing non-network providers to participate in the plan of coverage; amending Minnesota Statutes 1988, section 43A.23, subdivision 2.

Referred to the Committee on Governmental Operations.

Mr. Stumpf introduced—

S.F. No. 2598: A bill for an act relating to recreational vehicles; exempting from registration all-terrain vehicles that are used exclusively for private agricultural use or exclusively on private lands; amending Minnesota Statutes 1989 Supplement, sections 84.922, subdivisions 1a and 5; and 84.928,

subdivision 1; repealing Minnesota Statutes 1989 Supplement, section 84.922, subdivision 2a.

Referred to the Committee on Environment and Natural Resources.

Messrs. Hughes and Moe, R.D. introduced—

S.F. No. 2599: A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 12; removing references to legislative days.

Referred to the Committee on Rules and Administration.

MEMBERS EXCUSED

Mr. Solon was excused from the Session of today. Mr. Chmielewski and Ms. Berglin were excused from the Session of today from 11:00 a.m. to 12:00 noon. Ms. Reichgott was excused from the Session of today from 11:00 to 11:45 a.m. Messrs. Knaak and Ramstad were excused from the Session of today from 1:50 to 2:50 p.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Tuesday, March 20, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTY-THIRD DAY

St. Paul, Minnesota, Tuesday, March 20, 1990

The Senate met at 12:00 noon and was called to order by the President.

CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by Senator Donald A. Storm.

The roll was called, and the following Senators answered to their names:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dickfich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Bergtin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the adoption by the House of the following House Concurrent Resolution, herewith transmitted:

House Concurrent Resolution No. 5: A House concurrent resolution congratulating the 1990 International Trans-Antarctica Expedition Team on its successful continental crossing.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 19, 1990

Mr. Moe, R.D. moved that House Concurrent Resolution No. 5 be laid

on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 956: A bill for an act relating to waste management; requiring a county that enters a contract with the state for the siting and development of a stabilization and containment facility to hold a binding referendum on implementation of the contract; amending Minnesota Statutes 1988, section 115A.191, by adding a subdivision.

Senate File No. 956 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 19, 1990

CONCURRENCE AND REPASSAGE

Mr. Stumpf moved that the Senate concur in the amendments by the House to S.F. No. 956 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 956 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.J.	Mehrkens	Purfeerst
Anderson	DeCramer	Knutson	Merriam	Ramstad
Beckman	Dicklich	Kroening	Metzen	Reichgott
Belanger	Diessner	Laidig	Moe, R.D.	Renneke
Benson	Flynn	Langseth	Morse	Samuelson
Berg	Frank	Lantry	Novak	Schmitz
Bernhagen	Frederick	Larson	Olson	Solon
Bertram	Frederickson, D.J.	Lessard	Pariseau	Spear
Brataas	Frederickson, D.R.	Luther	Pehler	Storm
Chmielewski	Freeman	Marty	Piepho	Stumpf
Cohen	Hughes	McGowan	Piper	Vickerman
Davis	Johnson, D.E.	McQuaid	Pogemiller	Waldorf

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1964, 1968, 1983, 2521, 1841, 1883, 1921, 1952, 1067, 1861, 2204, 2242, 1987, 2012, 2059, 2594, 1730, 1857, 2212, 2103, 2135, 2294, 1981, 1991, 2062 and 2081.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 19, 1990

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 1964: A bill for an act relating to mining; amending certain provisions relating to operators' bonds; amending Minnesota Statutes 1988, section 93.49.

Referred to the Committee on Environment and Natural Resources.

H.F. No. 1968: A bill for an act relating to commerce; increasing the amount of the department's general civil penalty; amending Minnesota Statutes 1988, section 45.027, subdivision 6.

Referred to the Committee on Commerce.

H.F. No. 1983: A bill for an act relating to insurance; regulating coverages under Medicare supplement plans; requiring insurers to submit claims experience and earned premiums data; amending Minnesota Statutes 1988, 62A.36, by adding a subdivision; Minnesota Statutes 1989 Supplement, 62A.31, subdivision 2; 62A.315; and 62A.316.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2384, now on General Orders.

H.F. No. 2521: A bill for an act relating to health care; increasing the membership of the health care access commission; amending Minnesota Statutes 1989 Supplement, section 62J.02, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2286, now on General Orders.

H.F. No. 1841: A bill for an act relating to consumer protection; regulating membership travel contracts; providing a right to cancel; prescribing penalties; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325G.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1770, now on General Orders.

H.F. No. 1883: A bill for an act relating to water resources; approving certain permits under certain conditions; amending Minnesota Statutes 1988, section 105.405, subdivision 3.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1826.

H.F. No. 1921: A bill for an act relating to waste; prohibiting the placement of certain dry cell batteries in mixed municipal solid waste; requiring labeling of certain batteries by electrode content; establishing maximum content levels of mercury in batteries; requiring that batteries in certain consumer products be easily removable; providing penalties; proposing coding for new law in Minnesota Statutes, chapters 115A and 325E.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1784, now on General Orders.

H.F. No. 1952: A bill for an act relating to crimes; permitting individuals to request that the commissioner of public safety hold certain information on the individual as private; increasing penalties for certain acts of harassment; expanding the crime of terroristic threats to include threats made through an intermediary; authorizing courts to issue orders to restrain acts

of harassment; amending Minnesota Statutes 1988, sections 171.12, by adding a subdivision; and 609.713, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 168 and 609.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1843.

H.F. No. 1067: A bill for an act relating to education; requiring students on all HECB advisory groups; amending Minnesota Statutes 1988, section 136A.02, by adding a subdivision; Minnesota Statutes 1989 Supplement, section 136A.02, subdivision 7.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1551, now on the Calendar.

H.F. No. 1861: A bill for an act relating to game and fish; requiring the commissioner of natural resources to adopt an order regulating the sale and use of blowguns; proposing coding for new law in Minnesota Statutes, chapter 97B.

Referred to the Committee on Environment and Natural Resources.

H.F. No. 2204: A bill for an act relating to insurance; clarifying an insurer's duty to provide loss or claims experience data to an insured; regulating insurance fair information reporting; amending Minnesota Statutes 1989 Supplement, sections 72A.20, subdivision 26; 72A.501, subdivision 1; and 72A.502, subdivision 9, and by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2153, now on the Calendar.

H.F. No. 2242: A bill for an act relating to insurance; no-fault auto; exempting certain antique automobiles and recreational vehicles from rental vehicle coverage; amending Minnesota Statutes 1989 Supplement, section 65A.49, subdivision 5a.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2264, now on the Calendar.

H.F. No. 1987: A bill for an act relating to housing; establishing a procedure for the allocation of low-income housing tax credits; amending Minnesota Statutes 1988, sections 462A.221, by adding subdivisions; 462A.222, subdivisions 2, 3, and by adding subdivisions; and 462A.223, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1850, now on General Orders.

H.F. No. 2012: A bill for an act relating to agriculture; providing for uniformity of certain food rules with federal law; amending Minnesota Statutes 1989 Supplement, section 31.101, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1902, now on General Orders.

H.F. No. 2059: A bill for an act relating to education; permitting special school district No. 1 to remodel the Aviation Training Center with federal funds.

Referred to the Committee on Finance.

H.F. No. 2594: A bill for an act relating to commerce; regulating trade practices; prohibiting contracts from providing an exclusive right to display

free newspapers for distribution in any place of public accommodation; proposing coding for new law in Minnesota Statutes, chapter 325E.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2391.

H.F. No. 1730: A bill for an act relating to commerce; requiring seating furniture in public occupancies to meet flammability and labeling standards; proposing coding for new law in Minnesota Statutes, chapter 299F.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1795.

H.F. No. 1857: A bill for an act relating to transportation; providing greater restrictions on eligibility of debarred persons for certain public contracts; increasing scope of interstate motor carrier registration agreements; amending Minnesota Statutes 1988, section 161.315, subdivisions 2 and 3; Minnesota Statutes 1989 Supplement, section 221.601, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2356, now on General Orders.

H.F. No. 2212: A bill for an act relating to education; revising, updating, and making substantive changes in the laws on the county extension service; amending Minnesota Statutes 1988, sections 38.33; 38.34; 38.35; 38.36; 38.37; and 38.38; proposing coding for new law in Minnesota Statutes, chapter 38.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2310, now on General Orders.

H.F. No. 2103: A bill for an act relating to public employee retirement plans; requiring the regular reporting of investment performance results calculated on a time-weighted total rate of return basis; proposing coding for new law in Minnesota Statutes, chapter 356.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2105.

H.F. No. 2135: A bill for an act relating to Anoka county; authorizing the sale or exchange of certain land.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2024, now on the Calendar.

H.F. No. 2294: A bill for an act relating to drivers' licenses; providing for electronically produced images on drivers' licenses; providing for living will designation on driver's licenses; allowing commissioner to suspend a driver's license for failure to report certain medical conditions; amending Minnesota Statutes 1988, sections 171.07, subdivisions 1a and 6, and by adding a subdivision; and 171.071; Minnesota Statutes 1989 Supplement, sections 171.06, subdivision 3; 171.07, subdivisions 1 and 3; and 171.18.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2212, now on General Orders.

H.F. No. 1981: A bill for an act relating to motor vehicles; providing for temporary permit while awaiting delivery of special vehicle license plates; requiring registered owner of motor vehicle to list address or mailing address of primary residence on application for registration; permitting motor vehicle owners to classify residence addresses as private data and to use mailing

addresses on motor vehicle registration forms; clarifying when inspection fee must be paid to receive certificate of inspection for salvage vehicle; clarifying disclosure requirements for motor vehicle pollution control system; amending Minnesota Statutes 1988, sections 168.09, by adding a subdivision; 168.10, subdivision 1; and 325E.0951, subdivision 3a; Minnesota Statutes 1989 Supplement, section 168A.152, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 168.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2084, now on General Orders.

H.F. No. 1991: A bill for an act relating to natural resources; repealing certain pipeline review authority of the commissioner of natural resources; repealing Minnesota Statutes 1988, section 117.49.

Referred to the Committee on Environment and Natural Resources.

H.F. No. 2062: A bill for an act relating to public employment; repealing the exclusion of graduate assistants from coverage under the public employment labor relations act; amending Minnesota Statutes 1988, section 179A.03, subdivision 14.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1936, now on General Orders.

H.F. No. 2081: A bill for an act relating to state government; regulating certain employment practices; permitting the transfer of vacation and sick leave for certain gubernatorial appointees; permitting employees on permanent layoff to test into new state positions; authorizing the donation of the value accrued vacation leave to other state employees under certain circumstances; making technical changes in the public employees insurance program; eliminating the authority of the board of medical examiners and the board of dentistry to set the salaries of their executive directors; designating certain positions in the unclassified service; eliminating obsolete language; appropriating money; amending Minnesota Statutes 1988, sections 15A.081, subdivision 7b, and by adding a subdivision; 15A.083, subdivisions 5 and 7; 43A.04, subdivisions 1 and 3, and by adding a subdivision; 43A.10, subdivisions 7 and 8; 43A.12, subdivision 5; 43A.13, subdivisions 2, 3, 4, 5, 6, and 7; 43A.15, subdivision 10; 43A.17, subdivisions 1 and 8; 43.18, subdivisions 4 and 5; 43A.191, subdivisions 2 and 3; 43A.23, subdivision 1; 43A.27, subdivision 4; 43A.316, subdivisions 2, 3, 5, 7, and 8; 43A.37, subdivision 1; 176.421, by adding a subdivision; 176B.02; 237.51, subdivision 5; 473.405, subdivision 12; Minnesota Statutes 1989 Supplement, section 43A.08, subdivision 1; 43A.316, subdivisions 9 and 10; 214.04, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 43A; repealing Minnesota Statutes 1988, section 43A.081, subdivisions 1, 2, and 5.

Referred to the Committee on Finance.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 2332, 1910 and 2282. The motion prevailed.

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 2332: A bill for an act relating to education; establishing the Minnesota education in agriculture council; proposing coding for new law in Minnesota Statutes, chapter 126.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, delete "*and preserve*" and insert "*education about*"

Page 1, line 10, delete "*educational systems and programs concerned with*"

Page 1, line 15, delete "*, compensation,*"

Page 1, line 16, after the period, insert "*Board members shall not receive compensation or expenses, notwithstanding section 15.0575, subdivision 3, or 15.059, subdivision 3.*"

Page 1, delete lines 19 and 20

And when so amended the bill do pass.

Pursuant to Joint Rule 2.03, the bill was re-referred to the Committee on Rules and Administration.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2517: A bill for an act relating to counties; regulating performance bonds; amending Minnesota Statutes 1988, section 375.21, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, lines 4 to 6, reinstate the stricken language

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2068: A bill for an act relating to insurance; no-fault auto; clarifying eligibility for economic loss benefits; amending Minnesota Statutes 1988, sections 65B.48, subdivision 1; and 65B.64, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 65B.64, subdivision 1, is amended to read:

Subdivision 1. A person entitled to basic economic loss benefits because of injury covered by sections 65B.41 to 65B.71 may obtain basic economic loss benefits through the assigned claims plan or bureau established pursuant to section 65B.63 and in accordance with the provisions for making assigned claims provided in sections 65B.41 to 65B.71, if:

(a) The person is 14 years old or younger and basic economic loss benefits are not applicable to the injury because of section 65B.58;

(b) Basic economic loss benefits are not applicable to the injury for some reason other than those specified in section 65B.58, 65B.59, or 65B.60;

(c) The plan of reparation security applicable to the injury cannot be identified; or

(d) A claim for basic economic loss benefits is rejected by a reparation obligor on some ground other than the person is not entitled to basic economic loss benefits under sections 65B.41 to 65B.71.

In addition to the requirements for eligibility contained in section 65B.48, a nonresident is not entitled to basic economic loss benefits if the nonresident is the owner of a motor vehicle and does not carry the minimum automobile insurance coverage required by the state in which the vehicle is registered.

Sec. 2. Minnesota Statutes 1989 Supplement, section 65B.64, subdivision 3, is amended to read:

Subd. 3. A person shall not be entitled to basic economic loss benefits through the assigned claims plan with respect to injury which was sustained if at the time of such injury the injured person was the owner of a private passenger motor vehicle for which security is required under sections 65B.41 to 65B.71 and that person failed to have such security in effect. Persons, whether or not related by blood or marriage, who dwell and function together with the owner as a family, other than adults who have been adjudicated as incompetent and minor children, shall also be disqualified from benefits through the assigned claims plan.

For purposes of determining whether security is required under section 65B.48, an owner of any vehicle is deemed to have contemplated the operation or use of the vehicle at all times unless the owner demonstrates to the contrary."

Amend the title as follows:

Page 1, line 4, delete everything after "1988,"

Page 1, delete line 5 and insert "section 65B.64, subdivision 1; and Minnesota Statutes 1989 Supplement, section 65B.64, subdivision 3."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2571: A bill for an act relating to commerce; clarifying exceptions to the licensing requirements for real estate brokers; amending Minnesota Statutes 1989 Supplement, section 82.18.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 24, strike "when" and insert "provided that the person is licensed as a securities agent pursuant to section 80A.04, the person acknowledges that any violation of chapter 82A or the rules adopted under chapter 82A will be a violation of chapter 80A, and the person is"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2493: A bill for an act relating to insurance; promoting availability of automobile insurance for home day care providers; amending Minnesota Statutes 1988, sections 65B.13; 65B.47, subdivision 1; and 65B.49, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete section 1

Page 2, lines 17 and 31, delete "home" and insert "family or group family"

Page 2, line 29, delete "HOME" and insert "FAMILY OR GROUP FAMILY"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "home" and insert "family or group family"

Page 1, line 4, delete "65B.13;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2391: A bill for an act relating to commerce; regulating trade practices; prohibiting contracts from providing an exclusive right to display free newspapers for distribution in any place of public accommodation; proposing coding for new law in Minnesota Statutes, chapter 325E.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2514: A bill for an act relating to insurance; clarifying the law prohibiting insurers from maintaining subrogation actions against insureds; amending Minnesota Statutes 1989 Supplement, section 60A.41.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Solon from the Committee on Commerce, to which was referred

H.F. No. 2321: A bill for an act relating to consumer protection; requiring an itemized statement for certain automobile purchase price refunds; amending Minnesota Statutes 1988, sections 325F.662, subdivision 8; and 325F.665, subdivisions 3 and 6.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1826: A bill for an act relating to the environment; approving permits for the consumptive use of groundwater at the Seneca wastewater treatment plant.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 105.405, subdivision 3, is amended to read:

Subd. 3. [REQUIREMENTS FOR CONSUMPTIVE USE.] (a) Except as provided in paragraph (b), a permit authorized by sections 105.37 to 105.55 or a plan that requires a permit or the commissioner's approval, involving a consumptive use of more than 2,000,000 gallons per day average in a 30-day period, may not be granted or approved until after: (1) a determination by the commissioner that the water remaining in the basin of origin will be adequate to meet the basin's water resources needs during the specified life of the consumptive use; and (2) approval by the legislature.

(b) Legislative approval under paragraph (a), clause (2), is not required for a consumptive use in excess of 2,000,000 gallons per day average in a 30-day period for:

(1) a domestic water supply, excluding industrial and commercial uses of a municipal water supply; ~~and~~

(2) agricultural irrigation and processing of agricultural products;

(3) *construction dewatering; and*

(4) *pollution abatement or remediation.*

Sec. 2. [LEGISLATIVE APPROVAL OF CONSUMPTIVE USES OF WATER.]

Subdivision 1. [LEGISLATIVE APPROVAL.] Pursuant to Minnesota Statutes, section 105.405, subdivision 3, the legislature approves each of the following projects requiring a consumptive use of more than 2,000,000 gallons per day average in a 30-day period subject to the commissioner of natural resources making a determination for each project that the water remaining in the basin of origin will be adequate to meet the basin's need for water:

(1) construction of the Blue Lake Wastewater Treatment Facility;

(2) construction of the Empire Wastewater Treatment Facility;

(3) construction of the Minneapolis East Interceptor Project;

(4) construction of the Seneca Wastewater Treatment Facility;

(5) construction of the Stillwater Wastewater Treatment Facility;

(6) Minnesota Pollution Control Agency Superfund Site at LeHillier, Minnesota;

(7) Anoka Municipal Sanitary Landfill in Ramsey, Minnesota;

(8) United States Army Twin City Army Ammunition Plant (TCAAP);

(9) *Flying Cloud Landfill in Eden Prairie, Minnesota;*

(10) *United States Army Corps of Engineers, Goose Lake-Vermillion River Bottoms Habitat Rehabilitation Enhancement Project in Dakota and Goodhue counties; and*

(11) *Minneapolis Chain of Lakes Water Level Augmentation.*

Subd. 2. [EXISTING RIGHTS AND RESPONSIBILITIES.] Legislative approval under subdivision 1 does not affect:

(1) *existing rights of parties to challenge a permit under Minnesota Statutes, section 105.44; and*

(2) *any liability of project sponsors that exists elsewhere in statute.*

Subd. 3. [PROTECTION OF FENS.] (a) The granting of a permit for a project under this section, regardless of the volume appropriated, is subject to the following conditions:

(1) *dewatering will not be permitted to continue if it is determined to, in any way, adversely affect the health or natural status of a calcareous fen; and*

(2) *at a minimum, the groundwater source for the fen must be maintained at its natural level and its appropriate chemical and temperature characteristics.*

(b) *The adverse effects will be determined by the commissioner of natural resources.*

If the adverse effects occur, the metropolitan waste control commission must have in place an emergency contingency plan to provide for the safety of the affected fens.

Sec. 3. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to natural resources; providing legislative approval of certain consumptive uses of water over 2,000,000 gallons per day; exempting legislative approval for consumptive uses over 2,000,000 gallons per day for construction dewatering and pollution abatement or remediation; amending Minnesota Statutes 1988, section 105.405, subdivision 3."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 2347: A bill for an act relating to environmental protection; approving state membership in the Great Lakes Protection Fund.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [116Q.01] [GREAT LAKES PROTECTION FUND.]

The Great Lakes protection fund has been created by the governors of the eight Great Lakes states as a nonprofit corporation under the laws of the state of Illinois. The fund is a permanent endowment whose purpose is to advance the principles, goals, and objectives of the Great Lakes toxic substances control agreement executed by the governors of the eight Great Lakes states in May 1986, and to ensure the continuous development of needed scientific information, new cleanup technologies, and innovative methods of managing pollution problems as a cooperative effort in the Great Lakes region. The governor may enter this state as a member of the Great Lakes protection fund and do all things necessary or incidental to participate in the fund, as spelled out in its articles of incorporation, filed with the Illinois secretary of state on or about September 26, 1989, and its bylaws, as amended through September 26, 1989. If congressional consent to the Great Lakes protection fund carries with it conditions that materially change the provisions agreed to by the party states, this state reserves the option to terminate further participation in the fund.

Sec. 2. [116Q.02] [STATE RECEIPTS FROM THE FUND.]

Subdivision 1. [GREAT LAKES PROTECTION ACCOUNT.] Any money received by the state from the Great Lakes protection fund, whether in the form of annual earnings or otherwise, must be deposited in the state treasury and credited to a special Great Lakes protection account. Money in the account must be spent only as specifically appropriated by law for protecting water quality in the Great Lakes. Approved purposes include, but are not limited to, supplementing in a stable and predictable manner state and federal commitments to Great Lakes water quality programs by providing grants to finance projects that advance the goals of the regional Great Lakes toxic substances control agreement and the binational Great Lakes water quality agreement.

Subd. 2. [LCMR REVIEW.] The legislature intends not to appropriate money from the Great Lakes protection account until projects have been reviewed and recommended by the legislative commission on Minnesota resources. A work plan must be prepared for each project for review by the commission. The commission must recommend specific projects to the legislature.

Sec. 3. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, before the period, insert “; proposing coding for new law as Minnesota Statutes, chapter 116Q”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1945: A bill for an act relating to controlled substances; increasing the excise tax on cigarettes, beer, wine, and alcoholic beverages; creating the local government drug council; providing for grants to local governments for drug treatment and criminal justice; amending Minnesota Statutes 1988, sections 297.02, subdivision 1; and 297C.02, subdivisions 1, 2, and 3; Minnesota Statutes 1989 Supplement, sections 299A.29, subdivision 3, and by adding a subdivision; 299A.30; 299A.32, subdivisions

1 and 2; 299A.34; 299A.35, subdivision 1; 299A.36; and 299A.40, subdivisions 3 and 4; proposing coding for new law in Minnesota Statutes, chapter 299A; repealing Minnesota Statutes 1989 Supplement, section 299A.35, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 4 to 12, delete sections 5 to 19 and insert:

"Sec. 5. Minnesota Statutes 1989 Supplement, section 299A.29, is amended by adding a subdivision to read:

Subd. 1a. [ALCOHOL.] "Alcohol" means alcoholic beverages as defined in section 340A.101, subdivision 2.

Sec. 6. Minnesota Statutes 1989 Supplement, section 299A.30, is amended to read:

299A.30 [OFFICE OF DRUG AND ALCOHOL POLICY.]

Subdivision 1. [OFFICE; ASSISTANT COMMISSIONER.] The office of drug *and alcohol* policy is an office in the department of public safety headed by an assistant commissioner appointed by the commissioner to serve in the unclassified service. The assistant commissioner may appoint other employees in the unclassified service. The assistant commissioner shall coordinate the activities of drug *and alcohol* program agencies and serve as staff to the drug *and alcohol* abuse prevention resource council.

Subd. 2. [DUTIES.] (a) The assistant commissioner shall gather and make available information on demand reduction and supply reduction throughout the state, foster cooperation among drug *and alcohol* program agencies, and assist agencies and public officials in training and other programs designed to improve the effectiveness of demand reduction and supply reduction.

(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 may obtain technical assistance from the state planning agency to perform this function.~~ The assistant commissioner shall recommend to the commissioner recipients of grants under sections 299A.33 and 299A.34, after consultation with the drug *and alcohol* abuse prevention resource council.

(c) The assistant commissioner shall:

(1) after consultation with all ~~drug program~~ *appropriate* agencies operating in the state, develop a state drug *and alcohol abuse prevention* strategy encompassing the efforts of those agencies and taking into account all money available for demand reduction and supply reduction, from any source;

(2) submit the strategy to the governor and the legislature by January 15 of each year, along with a summary of demand reduction and supply reduction 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 *reduce and prevent alcohol abuse and to improve the effectiveness of drug demand reduction and supply reduction*; and

(4) provide information and assistance to drug *and alcohol* program agencies, both directly and by functioning as a clearinghouse for information from other drug *and alcohol* program agencies.

Sec. 7. Minnesota Statutes 1989 Supplement, section 299A.31, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; MEMBERSHIP] A drug *and alcohol* abuse prevention resource council consisting of 48 25 members is established. The commissioners of public safety, education, health, human services, and the state planning agency, 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 demonstrate knowledge in the area of drug *and alcohol* abuse prevention *or treatment*, shall represent the demographic and geographic composition of the state and, to the extent possible, shall represent the following groups: parents, educators, clergy, local government, racial and ethnic minority communities, professional providers of drug *and alcohol* abuse prevention services, volunteers in private, nonprofit drug prevention programs, *the nonprofit foundation community*, and the business community. *In addition, the governor shall appoint nine representatives of the law enforcement and criminal justice community and the judiciary from among recommendations of the Minnesota county attorneys association, Minnesota sheriffs association, Minnesota public defenders association, Minnesota chiefs of police, Minnesota association of district court judges, and the Minnesota police and peace officers association.* 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. 8. Minnesota Statutes 1989 Supplement, section 299A.32, subdivision 1, is amended to read:

299A.32 [RESPONSIBILITIES OF THE DRUG AND ALCOHOL ABUSE PREVENTION RESOURCE COUNCIL.]

Subdivision 1. [PURPOSE OF THE COUNCIL.] The general purpose of the drug *and alcohol* abuse prevention resource council is to foster the coordination and development of a statewide drug *and alcohol* abuse prevention policy *designed to eliminate the use of illicit drugs, eliminate the use of alcohol by persons under the age of 21, eliminate the abuse of prescription drugs, and eliminate the abuse of alcohol by persons age 21 and over.*

Sec. 9. Minnesota Statutes 1989 Supplement, section 299A.32, subdivision 2, is amended to read:

Subd. 2. [SPECIFIC DUTIES AND RESPONSIBILITIES.] In furtherance of the general purpose specified in subdivision 1, the council has the following duties and responsibilities:

(1) it shall develop a coordinated, statewide drug *and alcohol* abuse prevention policy *with particular attention to programs that are geared to reducing the demand for drugs and the abuse of alcohol;*

(2) it shall develop a mission statement that defines the roles and relationships of agencies operating within the continuum of chemical health care;

(3) it shall develop guidelines for drug *and alcohol* abuse prevention

program development and operation based on its research and program evaluation activities;

(4) it shall assist local governments and groups in planning, organizing, and establishing comprehensive, community-based drug and alcohol abuse prevention programs and services;

(5) it shall coordinate and provide technical assistance to organizations and individuals seeking public or private funding for drug and alcohol abuse prevention programs, and to government and private agencies seeking to grant funds for these purposes;

(6) it shall assist providers of drug and alcohol abuse prevention services in implementing, monitoring, and evaluating new and existing programs and services;

(7) it shall provide information on and analysis of the relative public and private costs of drug and alcohol abuse prevention, enforcement, intervention, and treatment efforts; and

(8) it shall advise the assistant commissioner of the office of drug policy in awarding grants for programs including those created by sections 299A.33, 299A.332, 299A.34, 299A.35, and 299A.40, and in other duties.

Sec. 10. [299A.321] [DRUG AND ALCOHOL ABUSE PROGRAMS; GRANTS.]

Subdivision 1. [DISBURSEMENT.] The commissioner, with the assistance and advice of the drug and alcohol abuse prevention resource council, may award grants under sections 299A.33, 299A.332, 299A.34, 299A.35, and 299A.40. Of funds appropriated in each year for grant programs under these sections, no less than 20 percent shall be disbursed for grants under section 299A.34. The commissioner may spend up to five percent of the total funds appropriated in each year to administer the grants.

Subd. 2. [GRANTS.] A grant awarded under this section may require a match not to exceed 25 percent. Grants may be awarded for periods of up to five years. Money received under this section may not be used to compensate for a decrease in previously existing funding levels.

Subd. 3. [GRANT PROCEDURE.] An applicant may apply for a grant by submitting an application with the commissioner. The applicant shall specify the following in its application:

- (1) a description of each program for which funding is sought;*
- (2) the amount of funding to be provided to the program;*
- (3) the geographical area to be served by the program; and*
- (4) for criminal justice grants, statistical information about the number of arrests in the geographical area for alcohol-related crimes under chapter 169, violent crimes, and for crimes involving schedule I and II controlled substances. "Violent crime" includes a violation of or an attempt or conspiracy to violate any of the following laws: sections 609.185; 609.19; 609.195; 609.20; 609.205; 609.21; 609.221; 609.222; 609.223; 609.228; 609.235; 609.24; 609.245; 609.25; 609.255; 609.2661; 609.2662; 609.2663; 609.2664; 609.2665; 609.267; 609.2671; 609.268; 609.342; 609.343; 609.344; 609.345; 609.498, subdivision 1; 609.561; 609.562; 609.582, subdivision 1; 609.687; and any provision of chapter 152 that is punishable by a maximum term of imprisonment greater than ten years.*

For criminal justice grants, the commissioner shall give priority to funding programs in the geographical areas that have the highest crime rates, as measured by the data supplied under clause (4), and that demonstrate substantial involvement by members of the community served by the program.

Sec. 11. [299A.332] [DRUG AND ALCOHOL TREATMENT GRANTS.]

(a) The commissioner shall develop grant programs to provide funds to drug or alcohol treatment facilities, programs, and services that:

(1) provide court-ordered treatment services to persons who are convicted of a crime and are determined through a chemical use assessment under section 169.126 or a similar procedure to be in need of drug or alcohol treatment services; and

(2) provide drug or alcohol treatment services to persons ordered to receive it as an outcome of a criminal justice diversion program, civil proceeding, or child protection order, but who are indigent or otherwise unable to afford the treatment.

(b) The commissioner shall establish eligibility criteria and reporting requirements for grant recipients.

Sec. 12. Minnesota Statutes 1989 Supplement, section 299A.34, subdivision 1, is amended to read:

299A.34 [LAW ENFORCEMENT AND COMMUNITY CRIMINAL JUSTICE GRANTS.]

Subdivision 1. [GRANT PROGRAMS.] (a) The commissioner shall develop grant programs to:

~~(1) assist law enforcement criminal justice agencies in purchasing equipment, provide undercover buy money, and pay other personnel and non-personnel costs; and~~

~~(2) assist community and neighborhood organizations in efforts to prevent or reduce criminal activities in their areas, particularly activities involving youth and the use and sale of drugs. Eligible criminal justice agencies include prosecutors, county sheriffs, police departments, public defender offices, district courts, and community corrections agencies.~~

~~(b) The commissioner shall by rule prescribe criteria for eligibility and the award of grants and reporting requirements for recipients establish eligibility criteria and reporting requirements for grant recipients.~~

Sec. 13. Minnesota Statutes 1989 Supplement, section 299A.35, subdivision 1, is amended to read:

Subdivision 1. [PROGRAMS.] The commissioner shall, in consultation with the drug and alcohol abuse prevention resource council, administer a grant program to fund community-based programs that are designed to enhance the community's sense of personal security and to assist the community in its crime control efforts. Examples of qualifying programs include, but are not limited to, the following:

(1) programs to provide security systems for residential buildings serving low-income persons, elderly persons, and persons who have physical or mental disabilities;

(2) community-based programs designed to discourage young people from involvement in unlawful drug or street gang activities;

(3) neighborhood block clubs and innovative community-based crime watch programs; ~~and~~

(4) other community-based crime prevention programs that are innovative and encourage substantial involvement by members of the community served by the program; *and*

(5) *programs designed to alleviate the impact of alcohol and drug abuse on the community.*

Sec. 14. Minnesota Statutes 1989 Supplement, section 299A.36, is amended to read:

299A.36 [OTHER DUTIES.]

The assistant commissioner assigned to the office of drug *and alcohol* policy, in consultation with the drug *and alcohol* abuse prevention resource council, shall:

(1) provide information and assistance upon request to school pre-assessment teams established under section 126.034 and school and community advisory teams established under section 126.035;

(2) provide information and assistance upon request to the state board of pharmacy with respect to the board's enforcement of chapter 152;

(3) cooperate with and provide information and assistance upon request to the alcohol and other drug abuse section in the department of human services;

(4) assist in coordinating the policy of the office with that of the narcotic enforcement unit in the bureau of criminal apprehension; *and*

(5) coordinate the activities of the regional drug task forces, provide assistance and information to them upon request, and assist in the formation of task forces in areas of the state in which no task force operates.

Sec. 15. Minnesota Statutes 1989 Supplement, section 299A.40, subdivision 3, is amended to read:

Subd. 3. [GRANTS FOR DEMONSTRATION PROGRAM.] The assistant commissioner of the office of drug *and alcohol* policy may award a grant to a county, multicounty organization, or city, as described in subdivision 1, for establishing and operating a multidisciplinary chemical abuse prevention team. The assistant commissioner ~~may approve up to five applications for grants under this subdivision shall consult with the drug and alcohol abuse prevention resource council before awarding grants.~~ The grant funds must be used to establish a multidisciplinary chemical abuse prevention team to carry out the duties in subdivision 2.

Sec. 16. Minnesota Statutes 1989 Supplement, section 299A.40, subdivision 4, is amended to read:

Subd. 4. [ASSISTANT COMMISSIONER; ADMINISTRATION OF GRANTS.] The assistant commissioner shall develop a process for administering grants under subdivision 3. The process must be compatible with the community grant program administered by the state planning agency under the Drug Free Schools and Communities Act, Public Law Number 100-690. The process for administering the grants must include establishing criteria the assistant commissioner shall apply in awarding grants. The assistant commissioner shall issue requests for proposals for grants under subdivision 3. The request must be designed to obtain detailed information

about the applicant and other information the assistant commissioner considers necessary to evaluate and select a grant recipient. The applicant shall submit a proposal for a grant on a form and in a manner prescribed by the assistant commissioner. The assistant commissioner shall award grants under this section so that 50 percent of the funds appropriated for the grants go to the metropolitan area comprised of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington counties, and 50 percent of the funds go to the area outside the metropolitan area are equitably distributed in a manner that gives priority to the areas with the most severe drug or alcohol abuse problems. The process for administering the grants must also include procedures for monitoring the recipients' use of grant funds and reporting requirements for grant recipients.

Sec. 17. [ANTI-DRUG AND ANTI-ALCOHOL ABUSE PROGRAMS.]

The purpose of the increases in excise taxes in sections 1 to 4 is to provide funding for the anti-drug and anti-alcohol abuse programs authorized by Minnesota Statutes, sections 299A.30 to 299A.40.

Sec. 18. [APPROPRIATION.]

§ is appropriated from the general fund to the commissioner of public safety for the anti-drug and anti-alcohol abuse programs authorized by Minnesota Statutes, sections 299A.30 to 299A.40."

Page 12, line 16, delete "20" and insert "19"

Amend the title as follows:

Page 1, line 5, after "drug" insert "and alcohol"

Page 1, line 6, after the semicolon, insert "appropriating money;"

Page 1, line 7, delete "and"

Page 1, line 9, delete "subdivision 3, and"

Page 1, line 10, after the second semicolon, insert "299A.31, subdivision 1,"

Page 1, line 11, after "299A.34" insert ", subdivision 1"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2064: A bill for an act relating to commercial transactions; adopting an article of the uniform commercial code that governs funds transfers; amending Minnesota Statutes 1989 Supplement, section 336.1-105; proposing coding for new law in Minnesota Statutes, chapter 336.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 24, delete "336.1-109" and insert "336.1-209"

Page 34, after line 21, insert:

"Sec. 2. [EFFECTIVE DATE.]

This act is effective January 1, 1991."

And when so amended the bill do pass. Amendments adopted. Report

adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1365: A bill for an act relating to human rights; requiring bias crime curriculum; proposing coding for new law in Minnesota Statutes, chapter 363.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [8.34] [BIAS-MOTIVATED CRIME PROSECUTION TRAINING.]

Subdivision 1. [DEFINITION.] For the purposes of this section, “prosecuting attorney” means a political subdivision’s elected or appointed county and city attorney and any of that attorney’s assistants who have criminal prosecution responsibility for bias-motivated crimes.

Subd. 2. [BIAS-MOTIVATED CRIMES COURSE.] By December 31, 1990, the attorney general’s office in cooperation with the peace officers standards and training board, the Minnesota county attorneys association, and the department of human rights shall create a course of no less than six hours dealing with the prosecution of bias-motivated crimes. The course shall include training on the devastating impact of these crimes on society and on victims. The attorney general shall present this course at least once a year until December 31, 1993.

Subd. 3. [RECORDS OF ATTENDANCE.] The head of every agency that employs prosecuting attorneys shall maintain records of the number of prosecuting attorneys who have attended the bias-motivated crimes prosecution course and the number of those who have not. The agency head shall report annually to the attorney general on these attendance and nonattendance figures.”

Delete the title and insert:

“A bill for an act relating to crimes; requiring prosecutor training in bias-motivated crimes; proposing coding for new law in Minnesota Statutes, chapter 8.”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1977: A bill for an act relating to prostitution; increasing penalties for certain patrons of prostitutes; providing for driver’s license revocation for repeat violators who use a motor vehicle during the commission of the offense; amending Minnesota Statutes 1988, sections 609.324, subdivisions 2, 3, and by adding a subdivision; and 609.3241.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 609.324, subdivision 2, is amended to read:

Subd. 2. Whoever solicits or accepts a solicitation to engage for hire in sexual penetration or sexual contact while in a public place may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000 or both. *Except as otherwise provided in subdivision 4, a person who is convicted of violating this subdivision while acting as a patron must, at a minimum, be sentenced to pay a fine of at least \$1,500.*

Sec. 2. Minnesota Statutes 1988, section 609.324, subdivision 3, is amended to read:

Subd. 3. Whoever intentionally does any of the following may be sentenced to imprisonment for not more than 90 days or to payment of a fine of not more than \$700, or both:

(1) Engages in prostitution with an individual 18 years of age or above; or

(2) Hires or offers or agrees to hire an individual 18 years of age or above to engage in sexual penetration or sexual contact.

Except as otherwise provided in subdivision 4, a person who is convicted of violating clause (1) or (2) while acting as a patron must, at a minimum, be sentenced to pay a fine of at least \$500.

Whoever violates the provisions of this subdivision within two years of a previous conviction may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both. *Except as otherwise provided in subdivision 4, a person who is convicted of a gross misdemeanor violation of this subdivision while acting as a patron, must, at a minimum, be sentenced to pay a fine of at least \$1,500 and, in those counties where section 609.3241 applies, ordered to pay an assessment of \$500.*

Sec. 3. Minnesota Statutes 1988, section 609.324, is amended by adding a subdivision to read:

Subd. 4. [COMMUNITY SERVICE IN LIEU OF MINIMUM FINE.] The court may order a person convicted of violating subdivision 2 or 3 to perform community work service in lieu of all or a portion of the minimum fine required under those subdivisions if the court makes specific, written findings that the convicted person is indigent or that payment of the fine would create undue hardship for the convicted person or that person's immediate family.

Sec. 4. Minnesota Statutes 1988, section 609.324, is amended by adding a subdivision to read:

Subd. 5. [USE OF MOTOR VEHICLE TO PATRONIZE PROSTITUTES; DRIVING RECORD NOTATION.] When a court sentences a person convicted of violating this section while acting as a patron, the court shall determine whether the person used a motor vehicle during the commission of the offense. If the court finds that the person used a motor vehicle during the commission of the offense, it shall forward its finding to the commissioner of public safety who shall record the finding on the person's driving record.

Sec. 5. Minnesota Statutes 1988, section 609.3241, is amended to read:

609.3241 [PENALTY ASSESSMENT AUTHORIZED.]

In any county that has established a multidisciplinary child protection team pursuant to section 626.558, when a court sentences an adult convicted of violating section 609.322, 609.323, or 609.324, while acting other than as a prostitute, the court shall impose an assessment of ~~\$250~~ \$500 to be used for the purposes described in section 626.558, subdivision 2a. This assessment is in addition to the assessment or surcharge required by section 609.101.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective August 1, 1990, and apply to crimes committed on or after that date."

Delete the title and insert:

"A bill for an act relating to prostitution; increasing penalties for certain patrons of prostitutes; providing that when a patron uses a motor vehicle during commission of an offense, that fact will be noted on the person's driving record; amending Minnesota Statutes 1988, sections 609.324, subdivisions 2, 3, and by adding subdivisions; and 609.3241."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 1853: A bill for an act relating to lawful gambling; expanding definition of contraband; extending deadline for inventory of seized contraband; authorizing seizing authorities to use proceeds from forfeited contraband; prohibiting possession or sale of unregistered video pull-tab devices; prohibiting altered or counterfeit gambling equipment and possession thereof; prohibiting organizations from accepting checks for gambling equipment or chances; requiring posting of penalties for receiving cash on video games of chance; subjecting illegally used gambling equipment to forfeiture; providing penalties; amending Minnesota Statutes 1988, sections 349.2125, subdivision 4; 349.2127, by adding a subdivision; and 609.762, subdivision 1; Minnesota Statutes 1989 Supplement, sections 349.2125, subdivisions 1 and 3; 349.2127, subdivision 2; 349.22, subdivisions 1 and 3; 349.501, subdivision 1; 349.502, subdivision 1; and 609.76, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 349.2125, subdivision 1, is amended to read:

Subdivision 1. [CONTRABAND DEFINED.] The following are contraband:

(1) all pull-tab ~~or~~ and tipboard deals, and video pull-tab devices and memory chips, that do not have stamps affixed to them as provided in section 349.162;

(2) all pull-tab ~~or~~ and tipboard deals, and video pull-tab devices and memory chips, in the possession of any unlicensed person, firm, or organization, whether stamped or unstamped;

(3) any container used for the storage and display of any contraband pull-tab or tipboard deals or video pull-tab devices or memory chips as

defined in clauses (1) and (2);

(4) all currency, checks, and other things of value used for pull-tab or tipboard *or video pull-tab* transactions not expressly permitted under this chapter, and any cash drawer, cash register, or any other container used for illegal pull-tab or tipboard *or video pull-tab* transactions including its contents;

(5) any device including, but not limited to, motor vehicles, trailers, snowmobiles, airplanes, and boats used, with the knowledge of the owner or of a person operating with the consent of the owner, for the storage or transportation of a *video pull-tab device or memory chip* or more than five pull-tab or tipboard deals that are contraband under this subdivision. When pull-tabs ~~and~~, tipboards, *or video pull-tab devices or memory chips* are being transported in the course of interstate commerce, or from one distributor to another, the pull-tab and tipboard deals *and video pull-tab devices or memory chips* are not contraband, notwithstanding the provisions of clause (1);

(6) any unaffixed registration stamps except as provided in section 349.162, subdivision 4;

(7) any prize used or offered in a game utilizing contraband as defined in this subdivision;

(8) any altered, modified, or counterfeit pull-tab or tipboard ticket, *video pull-tab device prize voucher or video pull-tab device or memory chip*;

(9) any unregistered gambling equipment except as permitted by this chapter; ~~and~~

(10) any gambling equipment kept in violation of section 349.18; *and*

(11) *any gambling equipment not in conformity with law or board rule.*

Sec. 2. Minnesota Statutes 1989 Supplement, section 349.2125, subdivision 3, is amended to read:

Subd. 3. [INVENTORY; JUDICIAL DETERMINATION; APPEAL; DISPOSITION OF SEIZED PROPERTY.] Within ~~two~~ *ten* days after the seizure of any alleged contraband, the person making the seizure shall ~~deliver~~ *make available* an inventory of the property seized to the person from whom the property was seized, if known, and file a copy with the commissioner of revenue or the director of gambling enforcement. Within ten days after the date of service of the inventory, the person from whom the property was seized or any person claiming an interest in the property may file with the seizing authority a demand for judicial determination of whether the property was lawfully subject to seizure and forfeiture. Within ~~30~~ *60* days after the date of filing of the demand, the seizing authority must bring an action in the district court of the county where seizure was made to determine the issue of forfeiture. The action must be brought in the name of the state and be prosecuted by the county attorney or by the attorney general. The court shall hear the action without a jury and determine the issues of fact and laws involved. When a judgment of forfeiture is entered, the seizing authority may, unless the judgment is stayed pending an appeal, either (1) cause the forfeited property to be destroyed; or (2) cause it to be sold at a public auction as provided by law.

If demand for judicial determination is made and no action is commenced *by the seizing authority* as provided in this subdivision, the property must

be released by the seizing authority and delivered to the person entitled to it. If no demand is made, the property seized is considered forfeited to the ~~state~~ *seizing authority* by operation of law and may be disposed of by the seizing authority as provided where there has been a judgment of forfeiture. When the seizing authority is satisfied that a person from whom property is seized was acting in good faith and without intent to evade the tax imposed by section 349.2121, subdivision 4, the seizing authority shall release the property seized without further legal proceedings.

Sec. 3. Minnesota Statutes 1988, section 349.2125, subdivision 4, is amended to read:

Subd. 4. [DISPOSAL.] (a) The property described in subdivision 1, clauses (4) and (5), must be confiscated after conviction of the person from whom it was seized, upon compliance with the following procedure: the seizing authority shall file with the court a separate complaint against the property, describing it and charging its use in the specific violation, and specifying substantially the time and place of the unlawful use. A copy of the complaint must be served upon the defendant or person in charge of the property at the time of seizure, if any. If the person arrested is acquitted, the court shall dismiss the complaint against the property and order it returned to the persons legally entitled to it. Upon conviction of the person arrested, the court shall issue an order directed to any person known or believed to have any right, title or interest in, or lien upon, any of the property, and to persons unknown claiming any right, title, interest, or lien in it, describing the property and (1) stating that it was seized and that a complaint against it, charging the specified violation, has been filed with the court, (2) requiring the persons to file with the court administrator their answer to the complaint, setting forth any claim they may have to any right or title to, interest in, or lien upon the property, within 30 days after the service of the order, and (3) notifying them in substance that if they fail to file their answer within the time, the property will be ordered sold by the seizing authority. The court shall cause the order to be served upon any person known or believed to have any right, title, interest, or lien as in the case of a summons in a civil action, and upon unknown persons by publication, as provided for service of summons in a civil action. If no answer is filed within the time prescribed, the court shall, upon affidavit by the court administrator, setting forth the fact, order the property sold by the seizing authority. ~~Seventy percent of the proceeds of the sale, after deducting the expense of keeping the property and fees and costs of sale, must be paid into the state treasury and credited to the general fund of forfeited property, after payment of seizure, storage, forfeiture and sale expenses, must be forwarded to the seizing authority for deposit as a supplement to its operating fund or similar fund for official use, and 20 percent must be forwarded to the county attorney or other prosecuting agency that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes. The remaining ten percent of the proceeds must be forwarded within 60 days after resolution of the forfeiture to the department of human services to fund programs for the treatment of compulsive gamblers.~~ If answer is filed within the time provided, the court shall fix a time for a hearing, which shall be not less than ten nor more than 30 days after the time for filing answer expires. At the time fixed for hearing, unless continued for cause, the matter shall be heard and determined by the court, without a jury, as in other civil actions.

(b) If the court finds that the property, or any part of it, was used in the

violation specified in the complaint, it shall order the property unlawfully used, sold as provided by law, unless the owner shows to the satisfaction of the court that the owner had no notice or knowledge or reason to believe that the property was used or intended to be used in the violation. The officer making a sale, after deducting the expense of keeping the property, the fee for seizure, and the costs of the sale, shall pay all liens according to their priority, which are established at the hearing as being bona fide and as existing without the lienor having any notice or knowledge that the property was being used or was intended to be used for or in connection with the violation specified in the order of the court, and shall pay the balance of the proceeds ~~into the state treasury to be credited to the general fund to the seizing authority for official use and sharing in the manner provided in paragraph (a).~~ A sale under this section shall free the property sold from any and all liens on it. Appeal from the order of the district court will lie as in other civil cases. At any time after seizure of the articles specified in this subdivision, and before the hearing provided for, the property must be returned to the owner or person having a legal right to its possession, upon execution of a good and valid bond to the state, with corporate surety, in the sum of not less than \$100 and not more than double the value of the property seized, to be approved by the court in which the case is triable, or a judge of it, conditioned to abide any order and the judgment of the court, and to pay the full value of the property at the time of the seizure. The seizing authority may dismiss the proceedings outlined in this subdivision when the seizing authority considers it to be in the ~~best interests of the state~~ public interest to do so.

Sec. 4. Minnesota Statutes 1988, section 349.2127, subdivision 1, is amended to read:

Subdivision 1. [COUNTERFEITING.] ~~No~~ (a) A person ~~shall~~ is guilty of a felony who, with intent to defraud the state, ~~make~~ makes, ~~alter~~ alters, ~~forge~~ forges, or ~~counterfeit~~ counterfeits any license or stamp provided for in this chapter, or ~~have~~ has in possession any forged, spurious, or altered stamps, with the intent, or with the result of, depriving the state of the tax imposed by this chapter.

(b) A person is guilty of a felony who alters, modifies, or counterfeits a video pull-tab device or memory chip.

Sec. 5. Minnesota Statutes 1989 Supplement, section 349.2127, subdivision 2, is amended to read:

Subd. 2. [PROHIBITION AGAINST POSSESSION.] (a) ~~No~~ A person, other than a licensed distributor, ~~shall~~ sell, offer is guilty of a crime who sells, offers for sale, or ~~have in possession with intent to sell or offer for sale,~~ possesses a pull-tab or tipboard deal, or a video pull-tab device or memory chip, that is not stamped in accordance with the provisions of this chapter. A violation of this paragraph is a felony if it involves more than ten pull-tab or tipboard deals or any amount of video pull-tab devices or memory chips.

(b) ~~No~~ A person, other than a licensed distributor or ~~licensed or exempt~~ an organization under section 349.214 may possess with the intent to sell or offer licensed or exempt or excluded from licensing under this chapter, is guilty of a crime who sells, offers to sell, or possesses gambling equipment, except (1) equipment exempt from taxation, or (2) equipment put into play by a licensed or exempt organization. A violation of this paragraph is a felony if it involves more than ten pull-tab or tipboard deals or

any amount of video pull-tab devices or memory chips.

(c) ~~No~~ A person, firm, or organization ~~may possess~~ is guilty of a crime who alters, modifies, or counterfeits pull-tabs, tipboards, tipboard tickets, or video pull-tab device prize vouchers, or possesses altered, modified, or counterfeit pull-tabs ~~or, tipboards, tipboard tickets with intent to sell, redeem, or exchange them,~~ or video pull-tab device prize vouchers. A violation of this paragraph is a felony if the total face value for all such pull-tabs, tipboards, tipboard tickets, or video pull-tab prize vouchers exceeds \$200. For purposes of this paragraph, the face value of all pull-tabs, tipboards, tipboard tickets, and video pull-tab prize vouchers altered, modified, or counterfeited within a six-month period may be aggregated and the defendant charged accordingly.

Sec. 6. Minnesota Statutes 1988, section 349.2127, subdivision 3, is amended to read:

Subd. 3. ~~[FALSIFICATION OF RECORDS FALSE INFORMATION.]~~ ~~No~~ (a) A person is guilty of a gross misdemeanor if the person is required by section 349.2121, subdivision 2, to keep records or to make returns ~~shall falsify or fail and falsifies or fails to keep the records or falsify or fail falsifies or fails to make the returns.~~

(b) A person is guilty of a felony who:

(1) knowingly submits false information in any license application or other document or communication submitted to the board; or

(2) knowingly submits false information in any report, document, or other communication submitted to the commissioner of revenue in connection with lawful gambling or with any provision of this chapter.

Sec. 7. Minnesota Statutes Second 1989 Supplement, section 349.2127, subdivision 4, is amended to read:

Subd. 4. ~~[TRANSPORTING UNSTAMPED DEALS.]~~ ~~No~~ A person ~~shall transport~~ is guilty of a gross misdemeanor who transports into, or ~~receive~~ receives, ~~carry~~ carries, or ~~move~~ moves from place to place in this state, any deals of pull-tabs or tipboards not stamped in accordance with this chapter or any video pull-tab device or memory chip except in the course of interstate commerce. A person is guilty of a felony who violates this subdivision after a previous conviction under this subdivision, or with respect to more than ten pull-tab or tipboard deals, or a combination of more than ten deals of pull-tabs and tipboards.

Sec. 8. Minnesota Statutes Second 1989 Supplement, section 349.2127, subdivision 5, is amended to read:

Subd. 5. ~~[PROVIDING INFORMATION.]~~ ~~No~~ An employee of an organization ~~shall provide~~ is guilty of a felony if the employee provides any information to a player that would provide an unfair advantage to the player related to the potential winnings of any lawful gambling activity. For purposes of this subdivision, "employee" includes a volunteer.

Sec. 9. Minnesota Statutes 1988, section 349.2127, is amended by adding a subdivision to read:

Subd. 6. ~~[CHECKS FOR GAMBLING PURCHASES.]~~ An organization may not accept checks in payment for the purchase of any gambling equipment or for the chance to participate in any form of lawful gambling. A person who violates this subdivision is guilty of a misdemeanor.

Sec. 10. Minnesota Statutes 1989 Supplement, section 349.22, subdivision 1, is amended to read:

Subdivision 1. [GROSS MISDEMEANOR.] *(a) A person who commits any violation of sections 349.11 to 349.23 for which another penalty is not provided is guilty of a gross misdemeanor.*

(b) A person who in any manner violates sections 349.11 to 349.23 to evade a tax imposed by a provision of this chapter, or who aids and abets the evasion of a tax, or hinders or interferes with a seizing authority when a seizure is made as provided by section 349.2125, is guilty of a gross misdemeanor.

Sec. 11. Minnesota Statutes 1989 Supplement, section 349.501, subdivision 1, is amended to read:

Subdivision 1. [TO THE PUBLIC.] An operator must prominently post in the owner's business premises a brief description of the legal consequences of awarding or receiving cash instead of game credits or replays on video games of chance in violation of ~~section~~ sections 349.502 and 609.76, subdivision 1.

The information is prominently posted if it can be readily seen by a player immediately before the player participates in the video game of chance.

Sec. 12. Minnesota Statutes 1989 Supplement, section 349.502, subdivision 1, is amended to read:

Subdivision 1. [MISDEMEANOR.] A person who ~~awards or receives cash instead of game credits or anything of value other than~~ replays on a video game of chance is guilty of a misdemeanor. ~~An owner who directs an employee to violate this section is also considered to have violated this section. For purposes of this subdivision "cash" includes checks.~~

Sec. 13. Minnesota Statutes 1988, section 349.52, is amended by adding a subdivision to read:

Subd. 5. [LOCAL REGULATION.] A statutory or home rule charter city or county has the authority to adopt more stringent regulations concerning video games of chance, including regulations prohibiting video games of chance within its jurisdiction.

Sec. 14. Minnesota Statutes 1988, section 349.59, subdivision 1, is amended to read:

Subdivision 1. [PACKAGES DECLARED TO BE CONTRABAND.] The following are declared to be contraband:

(1) all video games of chance which do not have a licensing stamp affixed to them and all containers that contain contraband video games of chance;

(2) all video games of chance to which the commissioner or designated representatives have been denied access for the inspection of contents. In lieu of seizure, the commissioner or designated representatives may seal the game to prevent its use until inspection of contents is permitted;

(3) all video games of chance at a location at which there is no location agreement in force; ~~and~~

(4) all video games of chance illegally brought into the state; *and*

(5) all video games of chance that do not conform to the game specifications contained in section 349.55.

Sec. 15. Minnesota Statutes 1989 Supplement, section 609.76, subdivision 1, is amended to read:

Subdivision 1. [GROSS MISDEMEANORS.] Whoever does [any of the following may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both:

- (1) maintains or operates a gambling place or operates a bucket shop;
- (2) intentionally participates in the income of a gambling place or bucket shop;
- (3) conducts a lottery, or, with intent to conduct a lottery, possesses facilities for doing so;
- (4) sets up for use for the purpose of gambling, or collects the proceeds of, any gambling device or bucket shop;
- (5) with intent that it shall be so used, manufactures, sells or offers for sale, in whole or any part thereof, any gambling device including those defined in section 349.30, subdivision 2, and any facility for conducting a lottery, except as provided by section 349.40;
- (6) receives, records, or forwards bets or offers to bet or, with intent to receive, record, or forward bets or offers to bet, possesses facilities to do so; or
- (7) pays any compensation for game credits earned on or otherwise rewards, *with anything of value, other than free plays*, players of video games of chance as defined ~~under~~ in section 349.50, subdivision 8, *or who directs an employee to pay any such compensation or reward.*

Sec. 16. [REPEALER.]

Minnesota Statutes 1989 Supplement, section 349.22, subdivision 3, is repealed.

Sec. 17. [EFFECTIVE DATE; APPLICATION.]

Sections 1 to 13 are effective August 1, 1990. Sections 4 to 9, 10, 12, and 15 apply to violations committed on or after that date."

Delete the title and insert:

"A bill for an act relating to lawful gambling; expanding definition of contraband; extending deadline for inventory of seized contraband; authorizing seizing authorities to use proceeds from forfeited contraband; prohibiting possession or sale of unregistered video pull-tab devices; prohibiting altered or counterfeit gambling equipment and possession thereof; prohibiting organizations from accepting checks for gambling equipment or chances; requiring posting of penalties for receiving cash on video games of chance; providing penalties; amending Minnesota Statutes 1988, sections 349.2125, subdivision 4; 349.2127, subdivisions 1, 3, and by adding a subdivision; 349.52, by adding a subdivision; 349.59, subdivision 1; Minnesota Statutes 1989 Supplement, sections 349.2125, subdivisions 1 and 3; 349.2127, subdivision 2; 349.22, subdivision 1; 349.501, subdivision 1; 349.502, subdivision 1; 609.76, subdivision 1; Minnesota Statutes Second 1989 Supplement, section 349.2127, subdivisions 4 and 5; repealing Minnesota Statutes 1989 Supplement, section 349.22, subdivision 3."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

H.F. No. 2481: A bill for an act relating to crimes; making preparation of a written presentence investigation report discretionary with the court when a defendant is convicted of a felony for which the court must impose an executed sentence under the sentencing guidelines; amending Minnesota Statutes 1989 Supplement, section 609.115, subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2433: A bill for an act relating to metropolitan airport development; authorizing the metropolitan council to review and approve changes in certain land uses; proposing coding for new law in Minnesota Statutes, chapter 473.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, after line 35, insert:

“Sec. 2. Minnesota Statutes 1988, section 473.606, subdivision 3, is amended to read:

Subd. 3. The treasurer shall receive and be responsible for all moneys of the corporation, from whatever source derived, and the same shall be considered public funds. The treasurer shall disburse the moneys of the corporation only on orders made by the executive and operating officer, herein provided for, countersigned by such other officer or such employee of the corporation as may be authorized and directed so to do by the corporation, showing the name of the claimant and the nature of the claim. No disbursement shall be certified by such officers until the same have been approved by said commissioners at a meeting thereof. Whenever the executive director of the corporation shall certify, pursuant to action taken by the commissioners at a meeting thereof, that there are moneys and the amount thereof in the possession of the treasurer not currently needed, then the treasurer may invest said amount or any part thereof in:

(a) Treasury bonds, certificates of indebtedness, bonds or notes of the United States of America, or bonds, notes or certificates of indebtedness of the state of Minnesota, all of which must mature not later than three years from the date of purchase.

(b) Bonds, notes, debentures or other obligations issued by any agency or instrumentality of the United States or any securities guaranteed by the United States government, or for which the credit of the United States is pledged for the payment of the principal and interest thereof, all of which must mature not later than three years from date of purchase.

(c) Commercial paper of prime quality, or rated among the top third of the quality categories, not applicable to defaulted paper, as defined by a nationally recognized organization which rates such securities as eligible

for investment in the state employees retirement fund except that any non-banking issuing corporation, or parent company in the case of paper issued by operating utility or finance subsidiaries, must have total assets exceeding \$500,000,000. Such commercial paper may constitute no more than 30 percent of the book value of the fund at the time of purchase, and the commercial paper of any one corporation shall not constitute more than four percent of the book value of the fund at the time of such investment.

(d) Any securities eligible under the preceding provisions, purchased with simultaneous repurchase agreement under which the securities will be sold to the particular dealer on a specified date at a predetermined price. In such instances, all maturities of United States government securities, or securities issued or guaranteed by the United States government or an agency thereof, may be purchased so long as any such securities which mature later than three years from the date of purchase have a current market value exceeding the purchase price by at least five percent on the date of purchase, and so long as such repurchase agreement involving securities extending beyond three years in maturity be limited to a period not exceeding 45 days.

(e) Certificates of deposit issued by any official depository of the commission. The commission may purchase certificates of deposit from a depository bank in an amount exceeding that insured by federal depository insurance to the extent that those certificates are secured by collateral maintained by the bank in a manner as prescribed for investments of the state board of investment.

(f) Securities approved for investment under section 471.56.

Whenever it shall appear to the commissioners that any invested funds are needed for current purposes before the maturity dates of the securities held, they shall cause the executive director to so certify to the treasurer and it shall then be the duty of the treasurer to order the sale or conversion into cash of the securities in the amount so certified. All interest and profit on said investments shall be credited to and constitute a part of the funds of the commission. The treasurer shall keep an account of all moneys received and disbursed, and at least once a year, at times to be designated by the corporation, file with the secretary a financial statement of the corporation, showing in appropriate and identifiable groupings the receipts and disbursements since the last approved statements; moneys on hand and the purposes for which the same are appropriated; and shall keep an account of all securities purchased as herein provided, the funds from which purchased and the interest and profit which may have accrued thereon, and shall accompany the financial statement aforesaid with a statement setting forth such account. The corporation may pay to the treasurer from time to time compensation in such amount as it may determine to cover clerk hire to enable the treasurer to carry out duties and those required in connection with bonds issued by the corporation as in this act authorized."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "airport development" and insert "government; authorizing certain investments by the metropolitan airports commission"

Page 1, line 4, before the semicolon, insert "relating to metropolitan airport development; amending Minnesota Statutes 1988, section 473.606, subdivision 3"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 2396: A bill for an act relating to the environment; regulating the disposition of property acquired for response action; amending Minnesota Statutes 1988, section 115B.17, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 115B.17, is amended by adding a subdivision to read:

Subd. 16. [DISPOSITION OF PROPERTY ACQUIRED FOR RESPONSE ACTION.] (a) If the commissioner determines property acquired under subdivision 15 is no longer needed for response action purposes, the commissioner may:

(1) transfer the property to the commissioner of administration to be disposed of in the manner required for other surplus property subject to conditions the commissioner determines necessary to protect the public health and welfare or the environment, or to comply with federal law;

(2) transfer the property to another state agency, a political subdivision, or special purpose district as provided in paragraph (b); or

(3) if required by federal law, take actions and dispose of the property as required by federal law.

(b) If the commissioner determines that property acquired under subdivision 15 must be operated, maintained, or monitored after completion of other phases of the response action, the commissioner may transfer ownership of the property to another state agency, a political subdivision, or special purpose district that agrees to accept the property. A state agency, political subdivision, or special purpose district is authorized to accept and implement the terms and conditions of a transfer under this paragraph. The commissioner may set terms and conditions for the transfer that the commissioner considers reasonable and necessary to ensure proper operation, maintenance, and monitoring of response actions, protect the public health and welfare and the environment, and comply with applicable federal and state laws and regulations. The state agency, political subdivision, or special purpose district to which the property is transferred is not liable under chapter 115B solely as a result of acquiring the property or acting in accordance with the terms and conditions of the transfer.

(c) If the agency acquires property under subdivision 15, the commissioner may lease or grant an easement in the property to a person during the implementation of response actions if the lease or easement is compatible with or necessary for response action implementation.

(d) The proceeds of a sale, lease, or other transfer of property under this subdivision by the commissioner or by the commissioner of administration shall be deposited in the fund. Any share of the proceeds that the agency is required by federal law or regulation to reimburse to the federal government is appropriated to the agency from the fund for that purpose.

Except for section 94.16, subdivision 2, the provisions of section 94.16 do not apply to real property sold by the commissioner of administration which was acquired under subdivision 15."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "appropriating money;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 2408: A bill for an act relating to natural resources; authorizing the commissioner to designate agents to sell state park permits; amending Minnesota Statutes 1988, section 85.053, subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2241: A bill for an act relating to commerce; regulating dividends on claims in liquidation proceedings; industrial loan and thrift companies; regulating lending practices; regulating the lending practices of regulated lenders; specifying the loan fees and charges that may be imposed by regulated lenders; amending Minnesota Statutes 1988, sections 49.24, subdivision 9; 53.04, subdivision 3a; 56.12; 56.131, subdivisions 1, 2, and 6; and 56.14; and Minnesota Statutes 1989 Supplement, section 56.155, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 to 5, delete sections 2 and 3

Page 5, line 32, delete "1988" and insert "1989 Supplement"

Page 5, line 35, delete "ten" and insert "15"

Page 5, line 36, delete "contributed" and after "capital" insert "stock" and delete "appropriated"

Page 6, line 1, delete "reserves" and insert "surplus"

Page 6, lines 7 and 8, reinstate the stricken language and delete the new language

Page 9, lines 20 and 21, delete "paragraph (f),"

Page 9, after line 24, insert:

"(8) With respect to a loan secured by an interest in real estate, the monthly installment payment must fully amortize the principal and interest on the loan."

Page 10, line 3, before "clause" insert "paragraph (a),"

Page 10, delete section 6

Page 11, lines 2 and 3, delete "as amended from time to time" and insert "United States Code, title 15, sections 1601 to 1667e, as amended through December 31, 1989"

Page 12, delete section 8 and insert:

"Sec. 5. Minnesota Statutes 1988, section 325G.22, is amended by adding a subdivision to read:

Subd. 1a. [ADJUSTMENT OF DOLLAR AMOUNTS.] The dollar amount in subdivision 1 shall change periodically as provided in section 550.37, subdivision 4a."

Page 12, line 36, delete "8" and insert "5"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete everything after the semicolon

Page 1, line 4, delete everything before the second "regulating"

Page 1, line 8, delete everything after the first semicolon

Page 1, delete line 9 and insert "56.131, subdivision 2; 56.14; 325G.22, by adding a subdivision;"

Page 1, delete line 11 and insert "56.131, subdivision 1."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2498: A bill for an act relating to occupations and professions; increasing minimum insurance coverage required for abstracters; abolishing requirement of seals by impression; repealing an obsolete provision; amending Minnesota Statutes 1988, sections 386.66 and 386.67; repealing Minnesota Statutes 1988, section 386.65, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 28, insert:

"Sec. 3. Minnesota Statutes 1988, section 386.69, is amended to read:
386.69 [LICENSESES.]

Licenses issued by said board under the provisions hereof shall recite that such bond or insurance policy has been duly filed and approved, and the license shall authorize the official, person, firm or corporation named in it to engage in and carry on the business of an abstracter of real estate titles in the county in which said official, person, firm or corporation is authorized to make abstracts. The license shall be issued for a period as determined by the board, and shall thereafter be renewed upon conditions prescribed by the board. *The board shall place a licensee in inactive status upon request of the licensee. A licensee in inactive status may renew its license but may not engage in and carry on the business of an abstracter of real estate titles. A licensee in inactive status is not required to have the bond or insurance required by section 386.66."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "providing for inactive license

status;”

Page 1, line 6, delete “and 386.67” and insert “; 386.67; and 386.69”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 1795: A bill for an act relating to commerce; requiring seating furniture in public occupancies to meet flammability and labeling standards; proposing coding for new law in Minnesota Statutes, chapter 299F

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [299F840] [CITATION.]

Sections 1 to 9 may be cited as the “furniture fire safety act.”

Sec. 2. [299F841] [DEFINITIONS.]

Subdivision 1. [TERMS.] The terms used in sections 1 to 9 have the meanings given them in this section.

Subd. 2. [SELL.] “Sell” means sell, offer or expose for sale, barter, trade, deliver, give away, rent, consign, lease, or possess with an intent to sell or dispose of in any other commercial manner.

Subd. 3. [SEATING FURNITURE.] “Seating furniture” means movable or stationary furniture, including children’s furniture, that is made of or with loose or attached cushions or pillows or is itself stuffed or filled in whole or in part with filling material, that is or can be stuffed or filled in whole or in part with any substance or material, hidden or concealed by fabric or other covering, including cushions or pillows belonging to or forming a part of the furniture, together with the structural unit, the filling material, and its container and its covering that can be used as a support for the body of a human being or a person’s limbs and feet when sitting or resting in an upright or reclining position.

Subd. 4. [FILLING MATERIAL.] “Filling material” means cotton, wool, kapok, feathers, down, hair, liquid, or other natural or man-made material, substance, or prefabricated form, concealed or not concealed, to be used or that could be used in seating furniture.

Subd. 5. [MANUFACTURER.] “Manufacturer” means a person or the person’s employee or agent who makes an article of seating furniture in whole or in part.

Subd. 6. [PUBLIC OCCUPANCIES.] “Public occupancies” means:

- (1) jails, prisons, and penal institutions;*
- (2) hospitals, mental health facilities, and similar health care facilities;*
- (3) nursing care and convalescent homes;*
- (4) child day-care centers;*
- (5) public auditoriums and stadiums; and*
- (6) public assembly areas of hotels and motels containing more than ten*

articles of seating furniture.

Sec. 3. [299F842] [EXEMPT ARTICLES.]

Articles of upholstered furniture, other than juvenile furniture and furniture used for and in facilities designed for the care or treatment of humans, that meet any of the following criteria are exempt from compliance with sections 1 to 9:

(1) cushions and pads intended solely for outdoor use;

(2) articles that are smooth-surfaced and contain no more than one-half inch of filling material, provided that the article does not have a horizontal surface meeting a vertical surface; and

(3) articles manufactured solely for recreational use or physical fitness purposes, such as weightlifting benches, gymnasium mats or pads, side-horses, and similar articles.

Sec. 4. [299F843] [ENFORCEMENT.]

The state fire marshal shall enforce sections 1 to 9 in accordance with the laws of this state.

Sec. 5. [299F844] [RULES.]

The state fire marshal shall adopt rules necessary for the enforcement of sections 1 to 9 within six months of the effective date of sections 1 to 9. The fire marshal shall adopt the testing and labeling procedures and requirements set forth in Technical Bulletin 133 of the state of California, Appendix A, "Flammability Testing and Labeling Procedures for Use in Public Occupancies," published in April 1988 by the California Bureau of Home Furnishings and Thermal Insulation. The fire marshal shall amend the rules as may from time to time be required to conform with the requirements of California Technical Bulletin 133. An amendment to a rule does not apply to seating furniture manufactured before the effective date of the amendment. Seating furniture sold for use in a public occupancy that meets the test criteria under rules adopted by the fire marshal must conform to the labeling requirements specified under the adopted rules.

Sec. 6. [299F845] [SCOPE.]

Sections 1 to 9 apply to seating furniture that is sold or intended for use in public occupancies in this state regardless of its point of origin. Seating furniture sold or intended for use in public occupancies that fails to conform to the applicable flammability standard and labeling requirement provided under rules of the state fire marshal, adopted under section 5, is prohibited from being sold or used for public occupancies.

Sec. 7. [299F846] [PERFORMANCE STANDARDS; TESTING.]

The applicable flammability requirements of rules adopted under section 5 are to be considered as performance standards. Testing under these standards is at the discretion of the manufacturer. Seating furniture offered for sale in this state must meet applicable flammability requirements as set out by rule adopted under section 5.

Sec. 8. [299F847] [TEST INSPECTIONS, AUDITS.]

The state fire marshal may inspect or audit the testing of seating furniture as may be considered necessary under rules adopted under section 5.

Sec. 9. [299F848] [CIVIL ACTION.]

The state fire marshal may bring a civil action or proceeding to enjoin a person from selling seating furniture that does not meet the requirements of sections 1 to 8, and that is sold or intended for use in public occupancies.

Sec. 10. [APPLICATION.]

Sections 1 to 9 apply to seating furniture manufactured on or after January 1, 1992."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davis from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 2527: A bill for an act relating to agriculture; establishing an agricultural liming material law; appropriating money; prescribing penalties; proposing coding for new law as Minnesota Statutes, chapter 18F

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 27, after "*agencies*" insert "*as defined in section 18B.01, subdivision 2*"

Page 5, line 6, delete "*next*"

Page 6, line 13, delete "*of*"

Page 6, line 14, delete "*any year*" and delete "*must*" and insert "*may*"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Davis from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 2345: A bill for an act relating to farm safety; providing for a pilot project of comprehensive farm safety audits; extending the availability of a previous appropriation; appropriating money; amending Laws 1989, chapter 350, article 17, section 1, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete lines 9 to 19

Page 1, line 20, delete "*Subd. 2.*" and insert "*Subdivision 1.*"

Page 1, line 22, before the period, insert "*, to be performed in cooperation with selected farm mutual insurance companies*"

Page 1, line 23, delete "*3*" and insert "*2*"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1910: A bill for an act relating to education; increasing the membership of the board of the Minnesota academic excellence foundation; clarifying the status of in-kind goods and services; increasing the staff of the foundation; appropriating money; amending Minnesota Statutes 1989

Supplement, section 121.612, subdivisions 3 and 5; and Laws 1989, chapter 329, article 11, section 15, subdivision 12.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 18 and 19, strike "various" and insert "*a variety of*"

Page 2, delete section 4 and insert:

"Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 5, delete everything after "services;"

Page 1, line 6, delete "appropriating money;"

And when so amended the bill do pass.

Pursuant to Joint Rule 2.03, the bill was re-referred to the Committee on Rules and Administration.

Mr. Pehler from the Committee on Education, to which was re-referred

S.F. No. 1896: A bill for an act relating to health; providing exemptions from the infectious waste control act; requiring hospitals to accept certain infectious waste; modifying standards for ambulance drivers; requiring adoption of rules setting new standards for recertification of and upgrading to emergency care course certificates; increasing reimbursement for volunteers; authorizing an emergency medical services advisory committee; exempting ambulances from vehicle license fees, registration, and excise taxes; regulating the provision of special transportation services; providing a tax credit; requiring studies; increasing medical assistance rates for ambulance services; creating a loan forgiveness program for medical students; providing nursing scholarships; creating a loan forgiveness program for advanced practice nurses; providing funding for summer medical interns; encouraging rural medical school applicants; requiring a study of medical assistance reimbursement for physicians; increasing participation in the rural physicians associates program; creating a rural hospital planning and transition grant program; creating a rural hospital subsidy fund; requiring a study of rural health professionals; allowing counties authority to exceed levy limits; appropriating money and increasing the complement; amending Minnesota Statutes 1989 Supplement, sections 116.76, subdivision 9; 116.78, by adding subdivisions; 144.804, subdivisions 1 and 7; 144.809; 144.8091; 168.012, subdivision 1; 168.013, subdivision 1a; and 297B.03; Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 136A; 144; 147; 174; and 290.

Reports the same back with the recommendation that the bill be amended as follows:

Page 16, line 3, after the period, insert "*Scholarships awarded under this section are available to (1) individuals enrolled in a nursing program leading to becoming a licensed practical nurse or registered nurse, and (2) licensed nurses enrolled in a program to further their nursing education which gives credit for prior learning in nursing.*"

Page 22, delete section 9

Page 23, line 23, delete "Sections 3 and 9 are" and insert "Section 3 is"

Renumber the sections of article 2 in sequence

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1971: A bill for an act relating to education; establishing an automobile safety awareness week; proposing coding for new law in Minnesota Statutes 1988, chapter 126.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [126.112] [AUTOMOBILE SAFETY AWARENESS WEEK.]

Subdivision 1. [SPECIAL OBSERVANCES.] The third week in March is automobile safety awareness week. During that week there may be special observances throughout the state emphasizing the importance of automobile safety. Public schools are encouraged to devote time to appropriate instruction in the use of seat belts, the hazards of drinking and driving, and safety measures that can make travel by automobile safer.

Subd. 2. [STATE AGENCIES' INVOLVEMENT.] The department of education, with the cooperation of the department of public safety, must assist and encourage the observance of automobile safety awareness week by any public school, group, or association requesting assistance.

Subd. 3. [GOVERNOR'S INVOLVEMENT.] The governor shall in any way considered necessary encourage the observances set forth in this section and shall by proclamation call the public's attention to the importance of automobile safety.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 4, delete "1988"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 394: A bill for an act relating to education; requiring post-secondary education administrators and faculty members to take certain coursework; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 135A.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [REPORT ON PREPARATION OF POST-SECONDARY

ADMINISTRATION AND FACULTY.]

Each post-secondary governing board shall examine its current programs that provide initial preparation and continuing education for its administrators and faculty to improve their administrative, teaching, and advising skills. The boards shall report to the education committees on their existing programs and their future plans by January 15, 1991."

Delete the title and insert:

"A bill for an act relating to education; requiring a report on preparation of post-secondary education administrators and faculty."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F No. 2431: A bill for an act relating to buildings; changing the definition of public building in the state building code; ratifying the interstate compact on industrialized/modular buildings; amending Minnesota Statutes 1989 Supplement, section 16B.60, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 16B.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1 and insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 16B.60, subdivision 6, is amended to read:

Subd. 6. [PUBLIC BUILDING.] "Public building" means a building and its grounds; the cost of which is paid for by the state or a state agency regardless of its cost, and a school district building project the cost of which is \$100,000 or more."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F No. 2246: A bill for an act relating to public employment; expanding coverage of the public employees insurance plan; establishing classes of premiums; amending Minnesota Statutes 1988, section 43A.316, subdivision 8.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 1, before the period, insert ", except that a former employee who is over age 65 and is not eligible for Medicare coverage is not eligible to participate in the plan"

Page 2, line 7, delete "must" and insert "shall"

Page 2, line 10, after the semicolon, insert "and"

Page 2, line 12, delete "; and" and insert a period

Page 2, delete lines 13 and 14

Page 2, line 16, before the period, insert “*only when there is a break in coverage between a participant’s coverage under a group insurance plan as an employee and the participant’s coverage under this section*”

Page 3, after line 6, insert:

“Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective January 1, 1991.”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 2160: A bill for an act relating to education; providing for the environmental education act; creating the office of environmental education; proposing coding for new law as Minnesota Statutes, chapter 126A; repealing Minnesota Statutes 1988, sections 116E.01; 116E.02; 116E.03, subdivisions 2, 3, 4, 5, 6, 7, 7a, 8, and 9; and 116E.04; Minnesota Statutes 1989 Supplement, sections 116E.03, subdivision 1; and 116E.035.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1880: A bill for an act relating to veterans; providing for an executive director appointed by the veterans homes board; amending Minnesota Statutes 1988, section 198.004.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F. No. 2181: A bill for an act relating to labor; regulating joint labor-management committees; regulating public employee elections; amending Minnesota Statutes 1988, sections 179.02, by adding a subdivision; 179.84, subdivision 1; 179.85; 179A.04, subdivision 3; and 179A.12, subdivision 7.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 3, strike everything after “rules”

Page 3, line 4, strike everything before the semicolon and insert “*relating to the administration of this chapter*”

Pages 3 and 4, delete section 5 and insert:

“Sec. 5. Minnesota Statutes 1988, section 179A.12, subdivision 7, is amended to read:

Subd. 7. [ELECTION ORDER.] The commissioner shall issue an order providing for a secret ballot election by the employees in a designated appropriate unit. The election ~~shall~~ *must* be held ~~in the~~ *on one* premises on one

or more sites where those voting are employed unless the commissioner determines that the election cannot be fairly held, in which case it shall be held at a place or by a mail ballot, as determined by the commissioner. In making this determination, the commissioner shall strive for an election process that provides for maximum participation by the affected employees. The parties affected by this determination may request reconsideration of it by the commissioner under bureau rules.

Sec. 6. Minnesota Statutes 1988, section 179A.12, subdivision 11, is amended to read:

Subd. 11. [UNFAIR LABOR PRACTICES.] If the commissioner finds that an unfair labor practice was committed by an employer or representative candidate or an employee or group of employees, and that the unfair labor practice affected the result of an election, *or that procedural or other irregularities in the conduct of the election may have substantially affected its results*, the commissioner may void the election result and order a new election.

Sec. 7. Minnesota Statutes 1989 Supplement, section 179A.16, subdivision 4, is amended to read:

Subd. 4. [CONSTRUCTION OF ARBITRATION PANEL.] *The parties may select persons who are members of the arbitration roster maintained by the board to act as the arbitration panel in their dispute by mutual agreement. In the event of a mutual agreement on the members of the arbitration panel, the commissioner shall advise the board in writing of the selection of the panel members, and the persons selected shall serve as the arbitration panel. If the parties have not mutually agreed upon the panel members by the time the commissioner certifies the matter to the board, the board shall provide the parties to the interest arbitration a list of seven arbitrators. The parties shall alternately strike names from the list of arbitrators until only a single arbitrator remains, unless the parties request and mutually agree to utilize a panel of three arbitrators. If the parties are unable to agree on who shall strike the first name, the question must be decided by the flip of a coin. The arbitrator or arbitrators remaining after the striking procedure constitute the arbitration panel."*

Amend the title as follows:

Page 1, line 3, after the second semicolon, insert "providing for the selection of arbitrators by mutual agreement;"

Page 1, line 6, delete "and" and delete "subdivision 7" and insert "subdivisions 7 and 11; and Minnesota Statutes 1989 Supplement, section 179A.16, subdivision 4"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F. No. 2252: A bill for an act relating to state government; regulating administrative procedures; including a statement of purpose; requiring agencies to send the LCRAR copies of statements of need and reasonableness; requiring an agency to provide notice of the hearing to those who requested it; making various technical changes; amending Minnesota Statutes 1988, sections 14.03; 14.131; 14.23; and 14.25; Minnesota Statutes

1989 Supplement, section 14.02, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 14.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, delete "*simplify government by assuring*" and insert "*ensure*"

Page 1, line 20, delete everything after "*procedure*" and insert a semicolon

Page 1, delete line 21

Page 3, delete lines 21 to 36

Page 4, delete lines 1 to 4 and insert:

"*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 of the division of game and fish published in accordance with section 97A.051;

(4) 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;

(5) opinions of the attorney general;

(6) the systems architecture plan and long-range plan of the state education management information system provided by section 121.931;

(7) the data element dictionary and the annual data acquisition calendar of the department of education to the extent provided by section 121.932; or

(8) the occupational safety and health standards provided in section 182.655."

Page 4, lines 15 and 32, delete "*must*" and insert "*shall*"

Page 5, line 12, strike "*shall*" and insert "*must*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1866: A bill for an act relating to Lake Superior; establishing an information and education authority; proposing coding for new law as Minnesota Statutes, chapter 85B.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, delete "*established as*"

Page 1, delete lines 13 to 25

Page 2, delete lines 1 to 4 and insert:

"Subd. 2. [BOARD OF DIRECTORS.] *The corporation is governed by a board consisting of the commissioner of natural resources and four members appointed by the governor to six-year terms with the advice and consent of the senate. The governor may remove appointed members for malfeasance or nonfeasance in the performance of their duties and shall fill vacancies by appointment subject to the advice and consent of the senate. Members may not be compensated for their services, but may be reimbursed for reasonable expenses incurred in connection with their duties as members. The commissioner of finance shall review members' expense reimbursements at the end of each fiscal year.*"

Page 2, delete lines 29 to 36

Page 3, delete lines 1 and 2 and insert:

"Subd. 10. [PRIVATE GAIN PROHIBITED.] *Except for paying reasonable fees for goods or services in accordance with its bylaws, the corporation may not afford direct or incidental pecuniary gain to a private individual, firm, or corporation other than Lake Superior Center, a Minnesota nonprofit corporation. No part of the net income or net earnings of the corporation may be directly or indirectly distributed to or otherwise inure to the benefit of an individual.*"

Page 3, line 19, before "facility" insert "freshwater educational" and delete "to further the purposes of this act" and insert ", containing appropriate exhibits and other educational features,"

Page 3, line 20, after "board" insert a comma

Page 3, line 21, delete "the provisions"

Page 3, line 22, delete "of" and delete "10" and insert "7" and delete everything after the second comma

Page 3, line 25, delete "and the corporation,"

Page 3, line 35, delete "it" and insert "the corporation"

Page 4, line 1, delete "is" and insert "are"

Page 4, line 7, delete "department" and insert "commissioner"

Page 4, line 8, delete "prescribe" and insert "adopt" and delete "supplemental to" and insert ", consistent with"

Page 4, line 11, delete "them" and insert "the animals"

Page 4, line 12, delete "it" and insert "the commissioner"

Page 4, line 13, delete "shall" and insert "is" and delete "be"

Page 4, line 16, after "transporting" insert "of"

Page 4, line 22, delete "either by its personnel or"

Page 4, line 28, delete "shall" and insert "may"

Page 5, line 3, delete everything after the period

Page 5, delete lines 4 to 7 and insert "The legislative auditor shall audit the books and accounts of the corporation each year. The corporation shall pay the total cost and expenses of the audit, including the salaries paid to

the examiners while actually engaged in making the examination. The legislative auditor may bill the corporation monthly or at the completion of the audit. Collections received for the audits must be deposited in the general fund."

Page 6. after line 10, insert:

"Sec. 8. [INITIAL APPOINTMENTS.]

Notwithstanding section 1, subdivision 2, the governor shall appoint the initial appointed members of the board of directors of the Lake Superior Center Authority as follows:

(1) two to terms of two years; and

(2) two to terms of four years."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F. No. 2445: A bill for an act relating to state government; authorizing the commissioner of jobs and training to establish a position in the unclassified service; amending Minnesota Statutes 1988, section 268.0121, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 43A.08, subdivision 1. is amended to read:

Subdivision 1. [UNCLASSIFIED POSITIONS.] Unclassified positions are held by employees who are:

(a) chosen by election or appointed to fill an elective office;

(b) heads of agencies required by law to be appointed by the governor or other elective officers, and the executive or administrative heads of departments, bureaus, divisions, and institutions specifically established by law in the unclassified service;

(c) deputy and assistant agency heads and one confidential secretary in the agencies listed in subdivision 1a;

(d) the confidential secretary to each of the elective officers of this state and, for the secretary of state, state auditor, and state treasurer, an additional deputy, clerk, or employee;

(e) intermittent help employed by the commissioner of public safety to assist in the issuance of vehicle licenses;

(f) employees in the offices of the governor and of the lieutenant governor and one confidential employee for the governor in the office of the adjutant general;

(g) employees of the Washington, D.C., office of the state of Minnesota;

(h) employees of the legislature and of legislative committees or commissions; provided that employees of the legislative audit commission,

except for the legislative auditor, the deputy legislative auditors, and their confidential secretaries, shall be employees in the classified service;

(i) presidents, vice-presidents, deans, other managers and professionals in academic and academic support programs, administrative or service faculty, teachers, research assistants, and student employees eligible under terms of the federal economic opportunity act work study program in the school and resource center for the arts, state universities and community colleges, but not the custodial, clerical, or maintenance employees, or any professional or managerial employee performing duties in connection with the business administration of these institutions;

(j) officers and enlisted persons in the national guard;

(k) attorneys, legal assistants, examiners, and three confidential employees appointed by the attorney general or employed with the attorney general's authorization;

(l) judges and all employees of the judicial branch, referees, receivers, jurors, and notaries public, except referees and adjusters employed by the department of labor and industry;

(m) members of the state patrol; provided that selection and appointment of state patrol troopers shall be made in accordance with applicable laws governing the classified service;

(n) chaplains employed by the state;

(o) examination monitors and intermittent training instructors employed by the departments of employee relations and commerce and by professional examining boards;

(p) student workers;

(q) one position in the hazardous substance notification and response activity in the department of public safety;

(r) employees unclassified pursuant to other statutory authority; and

(s) intermittent help employed by the commissioner of agriculture to perform duties relating to pesticides, fertilizer, and seed regulation; and

(t) the administrators and the deputy administrators at the state academies for the deaf and the blind."

Page 1, delete line 16

Page 1, line 20, delete "1" and insert "2"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "establishing positions in the unclassified service;"

Page 1, line 6, before the period, insert "; Minnesota Statutes 1989 Supplement, section 43A.08, subdivision 1"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 2282: A bill for an act relating to contracts; providing for enforcement of certain contracts; proposing coding for new law as Minnesota Statutes, chapter 338.

Reports the same back with the recommendation that the bill do pass. Mr. Ramstad questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 409: A bill for an act relating to employment; providing a medical leave of absence and a leave to care for family members; amending Minnesota Statutes 1988, sections 181.940, subdivision 1, and by adding subdivisions; 181.942; 181.943; 181.944; proposing coding for new law in Minnesota Statutes, chapter 181.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 181.940, is amended to read:

181.940 [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of sections 181.940 to 181.944, the following terms defined in this section have the meanings given to them in this section.

Subd. 2. [EMPLOYEE.] "Employee" means a person who performs services for hire for an employer from whom a leave is requested under sections 181.940 to 181.944, for at least 12 consecutive months preceding the request, and for an average of 20 or more hours per week during those 12 months, and includes all individuals employed at any site owned or operated by an the employer. Employee does not include an independent contractor.

Subd. 3. [EMPLOYER.] "Employer" means a person or entity that employs 21 or more employees at at least one site and. The term includes an individual, corporation, partnership, association, nonprofit organization, group of persons, state, county, town, city, school district, or other governmental subdivision.

Subd. 4. [CHILD.] "Child" means an individual under 18 years of age or an individual under age 20 who is still attending secondary school.

Sec. 2. Minnesota Statutes 1988, section 181.941, is amended to read:

181.941 [PARENTING LEAVE.]

Subdivision 1. [SIX-WEEK LEAVE; BIRTH OR ADOPTION.] An employer must grant an unpaid leave of absence to an employee who has been employed by the employer for at least 12 months and who is a natural or adoptive parent in conjunction with the birth or adoption of a child. The length of the leave shall be determined by the employee, but may not exceed six weeks, unless agreed to by the employer.

Subd. 2. [START OF LEAVE.] The leave shall begin at a time requested by the employee. The employer may adopt reasonable policies governing the timing of requests for unpaid leave. The leave may begin not more than six weeks after the birth or adoption; *except that, in the case where the child must remain in the hospital longer than the mother, the leave may not begin more than six weeks after the child leaves the hospital.*

Subd. 3. [NO EMPLOYER RETRIBUTION.] An employer ~~shall~~ may not retaliate against an employee for requesting or obtaining a leave of absence as provided by this section.

Subd. 4. [CONTINUED INSURANCE.] The employer ~~shall~~ must continue to make coverage available to the employee, while on leave of absence, under any group insurance policy, group subscriber contract, or health care plan for the employee and any dependents. Nothing in this section requires the employer to pay the costs of the insurance or health care while the employee is on leave of absence.

Sec. 3. [181.9412] [SCHOOL CONFERENCE AND ACTIVITIES LEAVE.]

(a) An employer must grant an employee leave of up to a total of 12 hours during any school year to attend school conferences or classroom activities related to the employee's child, provided the conferences or classroom activities cannot be scheduled during nonwork hours. When the leave cannot be scheduled during nonwork hours and the need for the leave is foreseeable, the employee must provide reasonable prior notice of the leave and make a reasonable effort to schedule the leave so as not to disrupt unduly the operations of the employer.

(b) Nothing in this section requires that the leave be paid; except that, an employee may substitute any accrued paid vacation leave or other appropriate paid leave for any part of the leave under this section.

Sec. 4. [181.9413] [SICK CHILD CARE LEAVE.]

An employee may use personal sick leave benefits provided by the employer for absences due to an illness of the employee's child for such reasonable periods as the employee's attendance with the child may be necessary, subject to the limitation under section 181.943, paragraph (b).

Sec. 5. Minnesota Statutes 1988, section 181.942, is amended to read:

181.942 [REINSTATEMENT AFTER LEAVE.]

Subdivision 1. [COMPARABLE POSITION.] *(a) An employee returning from a leave of absence shall be under section 181.941 is entitled to return to employment in the employee's former position or in a position of comparable duties, number of hours, and pay. An employee returning from a leave of absence longer than one month must notify a supervisor at least two weeks prior to return from leave. An employee returning from a leave under section 181.9412 or 181.9413 is entitled to return to employment in the employee's former position.*

(b) If, during the a leave under sections 181.940 to 181.944, the employer experiences a layoff and the employee would have lost a position had the employee not been on leave, pursuant to the good faith operation of a bona fide layoff and recall system, including a system under a collective bargaining agreement, the employee is not entitled to reinstatement in the former or comparable position. In such circumstances, the employee retains

all rights under the layoff and recall system, including a system under a collective bargaining agreement, as if the employee had not taken the leave.

Subd. 2. [PAY; BENEFITS; ON RETURN.] An employee returning from a leave of absence ~~shall~~ *under sections 181.940 to 181.944 is entitled to return to work employment* at the same rate of pay the employee had been receiving when the leave commenced, plus any automatic adjustments in the employee's pay scale that occurred during leave period. The employee returning from a leave ~~shall~~ *is entitled to* retain all accrued preleave benefits of employment and seniority, as if there had been no interruption in service; provided that nothing in sections 181.940 to ~~181.943~~ *181.944* prevents the accrual of benefits or seniority during the leave pursuant to a collective bargaining or other agreement between the employer and employees.

Subd. 3. [PART-TIME RETURN.] An employee, by agreement with the employer, may return to work part time during the leave period without forfeiting the right to return to employment at the end of the leave period, as provided in sections 181.940 to ~~181.943~~ *181.944*.

Sec. 6. Minnesota Statutes 1988, section 181.943, is amended to read:

181.943 [RELATIONSHIP TO OTHER LEAVE.]

(a) The length of *parental* leave provided by ~~sections 181.940 to 181.944 under section 181.941~~ may be reduced by any period of paid parental or disability leave, but not accrued sick leave, provided by the employer, so that the total leave does not exceed six weeks, unless agreed to by the employer.

(b) *Sick leave under section 181.9413 is limited to the same terms under which the employee is able to use personal sick leave benefits for the employee's own illnesses.*

(c) Nothing in sections 181.940 to 181.943 prevents any employer from providing ~~parental~~ leave benefits in addition to those provided in sections 181.940 to ~~181.943~~ *181.944* or otherwise affects an employee's rights with respect to any other employment benefit.

Sec. 7. Minnesota Statutes 1988, section 181.944, is amended to read:

181.944 [INDIVIDUAL REMEDIES.]

In addition to any *other* remedies ~~otherwise~~ provided by law, ~~any~~ a person injured by a violation of sections 181.940 to 181.943 may bring a civil action to recover any and all damages recoverable at law, together with costs and disbursements, including reasonable attorney's fees, and may receive injunctive and other equitable relief as determined by a court."

Delete the title and insert:

"A bill for an act relating to employment; providing for certain employee leaves of absences; amending Minnesota Statutes 1988, sections 181.940; 181.941; 181.942; 181.943; and 181.944; proposing coding for new law in Minnesota Statutes, chapter 181."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1617: A bill for an act relating to human services; requiring a study on methods of providing state assistance for persons with high out-of-pocket expenses for certain prescription drugs; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 13, delete "1990" and insert "1991"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2563: A bill for an act relating to human services; requiring increases in rates for wages of employees of intermediate care facilities for persons with mental retardation, semi-independent living services, home and community-based waived services, developmental achievement centers, and mental health residential programs; requiring a fair wage plan; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 252.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [252.53] [TASK FORCE ON COMPENSATION.]

The commissioner of human services shall establish a task force on the compensation and training of employees in the developmental disabilities and mental health fields. The purpose of the task force is to address staff turnover, recruitment, and training in order to have a significant number of qualified people working in programs for people with developmental disabilities and mental illness. Programs include intermediate care facilities for persons with mental retardation, semi-independent living services, day training and habilitation, waived services, supported employment, rehabilitation facilities, and mental illness services and programs. Members of the task force shall be appointed by the commissioner. Task force membership shall consist of at least one representative from the department of human services, the department of employee relations, the department of jobs and training, advocates, and the department of health, direct care staff from unionized and nonunionized facilities, providers, collective bargaining representatives, and representatives from institutions of post-secondary education, metro and greater Minnesota counties, and the governor's council on developmental disabilities. The task force shall submit a report to the commissioner by November 1, 1990, that includes recommendations on the following:

(1) entry and promotional level wage ranges for various job classifications which reduce wage and benefit inequities between community and state-operated facilities and services;

(2) implementation of wage and benefit increases over a four-year period to ensure that wages and benefits are brought up to a level competitive within the community marketplace;

(3) mechanisms to link wage increases to initial training, continuing education, and competency;

(4) recruitment and retention of qualified staff; and

(5) the impact of making adjustments pursuant to complying with United States Code, title 29, section 157 (Supp. 1988), and sections 179.16 and 179A.12.

By January 15, 1991, the commissioner shall submit the report and recommended legislation to implement the report to the chairs of the house of representatives and senate health and human services committees."

Delete the title and insert:

"A bill for an act relating to human services; establishing a task force on compensation and training of employees in mental retardation and mental illness programs; proposing coding for new law in Minnesota Statutes, chapter 252."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2419: A bill for an act relating to human services; clarifying requirements for employment and training programs for recipients of AFDC; allowing county agencies to implement grant diversion programs; clarifying eligibility and payment requirements for general assistance and work readiness; clarifying requirements for child care programs; establishing criteria to certify employment and training service provider; requiring a two-year plan from the local service unit; amending Minnesota Statutes 1988, sections 256.73, subdivision 2; 256.736, subdivisions 1a, 2a, and 3a; 256.7365, subdivision 2; 256D.02, subdivisions 5, 8, and 12; 256D.052, subdivision 5; 256D.06, subdivision 2; 256H.10, subdivisions 1 and 4; 256H.16; 256H.17; 268.673, subdivisions 3 and 5; 268.6751, subdivision 1; 268.676, subdivision 2; 268.677, subdivisions 2 and 3; 268.678; 268.681, subdivisions 1, 2, and 3; 268.86, subdivision 8; 268.871, subdivisions 1, 2, and by adding a subdivision; 268.90, subdivisions 1, 3, and 4; Minnesota Statutes 1989 Supplement, sections 256.73, subdivision 3a; 256.736, subdivisions 3, 3b, 4, 10, 10a, 11, 14, 16, and 18; 256.737, subdivisions 1 and 2; 256D.01, subdivision 1a; 256D.051, subdivisions 1a, 1b, 2, 3, and 8; 256H.01, subdivisions 7, 8, and 12; 256H.03, subdivisions 2, 2a, and 2b; 256H.05, subdivisions 1b, 1c, 2, and 5; 256H.08; 256H.09, subdivision 1; 256H.10, subdivision 3; 256H.11, subdivision 1; 256H.15, subdivisions 1 and 2; 256H.21, subdivision 9; 256H.22, subdivisions 2, 3, and 10; 268.0111, subdivision 4; 268.86, subdivision 2; 268.88; 268.881; Minnesota Statutes Second 1989 Supplement, section 256D.03, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 256; repealing Minnesota Statutes 1988, sections 256.736, subdivisions 1b, 8, and 17; 256.7365, subdivision 8; 256D.06, subdivision 1c; 256H.01, subdivision 14; 256H.05, subdivisions 1, 1a, and 3a; 268.672, subdivision 12; 268.86, subdivision 9; and 268.872, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, line 7, strike "2a" and insert "16"

Page 5, delete lines 18 to 20 and insert “*subtracting necessary work-related expenses from the family’s gross income, which includes cash assistance, is less than the cash assistance the family was receiving at the time the offer of employment was made. For purposes of this definition, “work expenses” means the amount withheld or paid for: state and federal income taxes; social security withholding taxes; mandatory retirement fund deductions; dependent care costs; transportation costs to and from work at the amount allowed by the Internal Revenue Service for personal car mileage; costs of work uniforms, union dues, and medical insurance premiums; costs of tools and equipment used on the job; \$1 per work day for the costs of meals eaten during employment; public liability insurance required by an employer when an automobile is used in employment and the cost is not reimbursed by the employer; and the amount paid by an employee from personal funds for business costs which are not reimbursed by the employer;*”

Page 5, line 31, after “*race*” insert “, *color, creed, marital status, status with regard to public assistance, disability*”

Page 6, delete section 4

Page 8, line 6, delete “, (c), and (d)” and insert “and (c)”

Page 8, line 22, after “(5)” insert “*caretakers under the age of 22 who have not completed a high school education or a high school equivalency program;*

(6)” and after “*months*” insert a semicolon

Page 8, delete line 23

Page 8, line 24, delete “(6)” and insert “(7)”

Page 8, line 25, before the period, insert “; and

(8) *recipients who participate in the new chance research and demonstration project under contract with the department of human services*”

Page 9, line 3, delete “*and who, at*”

Page 9, delete line 4

Page 9, line 5, delete the first “*school*” and delete “*in*”

Page 15, line 20, after “*caretaker*” insert “*not exempt from registration under subdivision 3*”

Page 17, line 10, strike “*priority*” and insert “*mandatory and eligible volunteer*”

Page 17, line 15, strike “*all*”

Page 17, line 35, strike everything after “*programs*”

Page 17, line 36, strike everything before the semicolon

Page 18, line 28, strike the comma and delete “*except that the*”

Page 18, delete line 29

Page 18, line 30, delete the new language and strike “*job search*”

Page 20, line 32, before the period, insert “*and who are described in subdivision 3a, paragraph (a). The county agency shall require attendance at orientation of caretakers described in subdivision 3a, paragraphs (b)*

and (c), if they become eligible for participation in employment and training services”

Page 22, line 24, strike everything after “(a)”

Page 22, lines 25 and 26, strike the old language and delete the new language and insert *“The county agency may, to the extent of available resources, enroll priority caretakers described in subdivision 16 in case management services and for those enrolled shall:”*

Page 23, line 27, before “length” insert “estimated”

Page 26, line 15, after the period, insert *“For purposes of this section, “priority caretaker” means a recipient who:*

(1) is a custodial parent under the age of 24 who: (i) has not completed a high school education and at the time of application for AFDC is not enrolled in high school or in a high school equivalency program; or (ii) had little or no work experience in the preceding year;

(2) is a member of a family in which the youngest child is within two years of being ineligible for AFDC due to age; or

(3) has received 36 months or more of AFDC over the last 60 months.”

Page 26, line 21, reinstate the stricken “caretakers” and delete *“priority cases”*

Page 36, after line 13, insert:

“Sec. 19. Minnesota Statutes 1988, section 256D.01, is amended by adding a subdivision to read:

Subd. 1d. [RULES REGARDING EMERGENCY ASSISTANCE.] In order to maximize the use of federal funds, the commissioner shall adopt rules, to the extent permitted by federal law, for eligibility for the emergency assistance program under aid to families with dependent children, and under the terms of sections 256D.01 to 256D.21 for general assistance, to require use of the emergency program under aid to families with dependent children as the primary financial resource when available. The commissioner shall adopt rules for eligibility for general assistance of persons with seasonal income and may attribute seasonal income to other periods not in excess of one year from receipt by an applicant or recipient. General assistance payments may not be made for foster care, child welfare services, or other social services. Vendor payments and vouchers may be issued only as authorized in sections 256D.05, subdivision 6, and 256D.09.”

Page 36, line 25, after “parent” insert *“, stepparent,”*

Page 40, line 2, after the period, insert *“Subsequent assistance must not be issued unless the person completes an application, is determined eligible, and attends an orientation, or demonstrates that the person had good cause for failing to comply with the requirement.”*

Page 40, line 36, strike “and” and insert a comma and after “eligible” insert *“, and attending an orientation or demonstrating that the person had good cause for failing to comply with the requirement”*

Page 45, after line 15, insert:

“Sec. 34. Minnesota Statutes 1988, section 256H.01, is amended by adding a subdivision to read:

Subd. 16. [TRANSITION YEAR FAMILIES.] "Transition year families" means families who lose eligibility for AFDC due to increased hours of employment, increased income from employment, or the loss of income disregards due to time limitations, as provided under Public Law Number 100-485.

Sec. 35. Minnesota Statutes 1988, section 256H.01, is amended by adding a subdivision to read:

Subd. 17. [CHILD CARE FUND.] "Child care fund" means a program providing:

(1) financial assistance for child care to parents engaged in employment or education and training leading to employment; and

(2) grants to develop, expand, and improve the access and availability of child care services statewide."

Page 46, line 12, delete "no" and insert "a county may not accept"

Page 46, line 13, delete "shall be accepted"

Page 46, line 14, before the period, insert "unless the county can demonstrate that its state money expenditures for the basic sliding fee program for this period will not exceed 95 percent of the county's allocation of state money for the fiscal year ending June 30, 1990" and after the period, insert "Eligible families whose benefits were terminated during the fiscal year ending June 30, 1990, for reasons other than loss of eligibility shall be reinstated."

Page 47, line 5, delete "(a)" and after "for" insert "guaranteed"

Page 47, line 19, delete everything after "who" and insert "are members of transition year families under section 256H.01, subdivision 16; and

(4) a family who has completed the transition year until assistance becomes available through the child care fund."

Page 47, delete lines 20 to 32

Page 48, line 23, strike ", as resources permit,"

Page 49, line 15, delete "to pursue educational and" and insert "do not apply to basic or remedial educational programs needed to prepare for post-secondary education or employment."

Page 49, delete lines 16 to 18

Page 49, line 19, before "include" insert "These programs" and after the second comma, insert "and"

Page 49, line 20, delete everything after "language" and insert ". Programs exempt from this time limit must not run concurrently with a post-secondary program."

Page 49, delete line 21

Page 51, line 4, delete "eligible for" and insert "receiving"

Page 51, line 5, before the semicolon, insert ", except that, after July 1, 1991, families receiving aid to families with dependent children are eligible for child care services without regard to their eligibility for services under section 256.736"

Page 51, line 21, strike "If more than 75"

Page 51, strike line 22

Page 51, line 23, strike "groups described in section 256H.03" and strike ", the county board"

Page 51, strike line 24

Page 51, line 25, strike everything before "If"

Page 53, line 14, strike "set by"

Page 53, line 15, strike "the county" and insert "allowed"

Pages 53 and 54, delete section 49

Page 72, after line 20, insert:

"Sec. 77. [METHOD OF EXTENDING ELIGIBILITY FOR CHILD CARE ASSISTANCE TO NONPRIORITY FAMILIES; REPORT.]

The commissioner of human services shall develop a method of randomly selecting AFDC families who have been on AFDC for 24 months or more, but are not classified in a priority group under Minnesota Statutes, section 256.736, subdivision 2a, to receive child care assistance through the child care fund as child care fund money becomes available. The commissioner shall provide a report to the legislature by December 1, 1990, which contains a description of the method, estimates of the numbers of families that could be served, and other relevant information."

Page 72, line 23, after "group" insert a comma and delete "or"

Page 72, delete line 24 and insert "groups," "targeted caretaker," or "targeted caretakers" for the phrases "priority group," "priority groups," "priority caretaker," or "priority caretakers"

Page 72, line 32, after the second comma, insert "2a,"

Page 73, delete lines 4 and 5 and insert "256H.01, subdivision 14, and 256H.16, are repealed. Minnesota Statutes 1989 Supplement, section 256H.05, subdivisions 1, 1a, and 3a, are repealed."

Page 73, line 7, delete "18" and insert "17" and delete "76" and insert "78" and delete "77" and insert "79"

Page 73, line 10, delete "19" and insert "18" and delete "77" and insert "79"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 12, delete ", 2a,"

Page 1, line 13, after "2;" insert "256D.01, by adding a subdivision;"

Page 1, line 14, after "2;" insert "256H.01, by adding subdivisions;"

Page 1, line 15, delete "256H.16;"

Page 1, line 36, after "1b," insert "2a,"

Page 1, line 38, delete everything before the semicolon and insert "256H.16"

Page 1, line 39, delete "and"

Page 1, line 40, before the period, insert "; and Minnesota Statutes 1989

Supplement, section 256H.05, subdivisions 1, 1a, and 3a”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F. No. 2220: A bill for an act relating to the Cambridge regional human services center; permitting the transfer of water and sewer facilities; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [CAMBRIDGE REGIONAL HUMAN SERVICES CENTER.]

The purpose of this section is to provide authority for the better coordination of property and facilities at the Cambridge regional human services center with the city and community of Cambridge. The department of administration may transfer to the city of Cambridge any property at the Cambridge regional human services center that is appropriate for development or relates to the provision of water or sewer service or other utilities. The department and city may attach to the transfer the conditions that they agree are appropriate, including conditions that relate to water and sewer service at the center and in the city. If the transfer requires the conveyance of any interest in real estate, the attorney general shall prepare appropriate instruments of conveyance. § of the appropriation made by Laws 1989, chapter 300, article 1, section 7, is further appropriated to the commissioner of administration to be disbursed to the city of Cambridge to implement the transfer and its conditions. This appropriation expires upon the accomplishment or abandonment of its purpose.”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 2360: A bill for an act relating to economic development; clarifying the appointing authority for the board of the Minnesota Project Outreach Corporation; requiring duties of the Minnesota Project Outreach Corporation; requiring notification under the capital access program; removing the requirement that employees of the Greater Minnesota Corporation file statements of economic interest; amending Minnesota Statutes 1989 Supplement, sections 116J.691, subdivisions 2 and 4; 116J.8766 by adding a subdivision; and 116O.03, subdivision 11.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1989 Supplement, section 116J.691, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; PURPOSE.] The Minnesota Project Outreach Corporation is established as a nonprofit *public* corporation under

chapter 317 and is subject to the provisions of that chapter. *The corporation is not a state agency.* The purpose of the corporation is to (i) facilitate the transfer of technology and scientific advice from the University of Minnesota and other institutions to businesses in the state that may make economic use of the information; and (ii) to assist small and medium-sized businesses in finding technical and financial assistance providers that meet their needs.

Sec. 2. Minnesota Statutes 1989 Supplement, section 116J.691, subdivision 2, is amended to read:

Subd. 2. [BOARD OF DIRECTORS; EMPLOYEES.] The Minnesota Project Outreach Corporation shall be governed by a nine-member board of directors consisting of the president of the University of Minnesota or the president's designee, the ~~deputy~~ commissioner of trade and economic development for ~~community development~~ or the commissioner's designee, the chair of the Greater Minnesota Corporation board of directors or the chair's designee, the president of the Minnesota Project Outreach Corporation, a member of the state senate appointed by the subcommittee on committees of the senate rules and administration committee, a member of the house of representatives appointed by the speaker, a ~~representative~~ *of person who has experience with small manufacturing firms located outside the metropolitan area, a representative of person who has experience with medium-sized manufacturing firms located in the metropolitan area, one of which must be actively engaged in manufacturing, and a private sector person representing the general public.* *The governor shall appoint the representatives of the manufacturing firms and the general public.* Vacancies on the board for the members who are ~~representatives of the manufacturing firms and the general public~~ appointed by the governor shall be filled by the board *until the respective term expires.* The president of the Minnesota Project Outreach Corporation shall be appointed by at least a two-thirds majority of the other members of the board.

The terms of the directors appointed by the governor shall be three years. The directors appointed by the governor shall serve until their successors are appointed and qualify. The board may elect a chair and form committees of the board. *The officers and any employees of the corporation are not state employees.*

Sec. 3. Minnesota Statutes 1989 Supplement, section 116J.691, subdivision 4, is amended to read:

Subd. 4. [DUTIES.] The Minnesota Project Outreach Corporation shall:

(1) establish a technology assistance system to assist business, specifically new and other small and medium-sized businesses across the state, in gaining access to technical information, including but not limited to technologies developed by the University of Minnesota and other higher education systems and their personnel; and in gaining access to technology-related federal programs-;

(2) *establish and maintain a data base or data bases that provide information for the technology assistance system under clause (1) that may include information on (i) science and technology experts, (ii) technical research projects underway at public higher education institutions in the state, (iii) licensable technology available at public higher education institutions in the state, (iv) access to federal technology and technical information, and (v) access to technical and business education;*

(3) provide literature search and document retrieval services through the technology assistance system under clause (1);

(4) establish and continually update a business assistance referral system which includes a data base of economic development related technical assistance and financial assistance providers or programs sponsored by federal agencies, state agencies, educational institutions, chambers of commerce, civic organizations, community development groups, local governments, private industry associations, and other organizations and individuals that provide assistance;

(5) establish and maintain or contract for the establishment of a toll-free telephone number operated by trained staff familiar with the business assistance referral system and data base;

(6) maintain a marketing and outreach program informing persons interested in starting, operating, or expanding small business and assistance providers of the technology assistance system and the business assistance referral system;

(7) establish, where possible, regional bases and referral systems for the business assistance referral system; and

(8) make available the data base of the business assistance referral system to the legislature, the department of trade and economic development, and other state agencies for evaluating the effectiveness and efficiency of the provision of economic development-related technical and financial assistance in the state.

Sec. 4. Minnesota Statutes 1989 Supplement, section 116J.8766, is amended by adding a subdivision to read:

Subd. 4. [TECHNICAL ASSISTANCE.] When a borrower becomes 60 days delinquent in the payments of an enrolled loan or before a lender files a claim with the commissioner, the lender must notify the commissioner of the delinquency. The commissioner, after notification, shall inform the borrower of the technical assistance providers in the borrower's area that may assist in solving any business or management problems experienced by the borrower.

Sec. 5. Minnesota Statutes 1989 Supplement, section 116O.03, subdivision 11, is amended to read:

Subd. 11. [STATEMENTS OF ECONOMIC INTEREST.] Directors, and officers, and employees of the corporation are public officials for the purpose of section 10A.09, and must file statements of economic interest with the ethical practices board.

Sec. 6. Minnesota Statutes 1989 Supplement, section 469.203, subdivision 4, is amended to read:

Subd. 4. [CITY APPROVAL OF PROGRAM.] (a) For the purposes of this subdivision, "city" means the cities of Minneapolis and Duluth.

(b) Before adoption of a revitalization program under paragraph (e) (b), the city must submit a preliminary program to the commissioner, the state planning agency, and the Minnesota housing finance agency for their comments. The city may not adopt the revitalization program until comments have been received from the state agencies or 30 days have elapsed without response after the program was sent to them. Comments received by the city from the state agencies within the 30-day period must be responded

to in writing by the city before adoption of the program by the city.

(e) (b) The city may adopt a revitalization program only after holding a public hearing after the program has been prepared. Notice of the hearing must be provided in a newspaper of general circulation in the city and in the most widely circulated community newspaper in the targeted neighborhoods not less than ten days nor more than 30 days before the date of the hearing.

(d) (c) A certification by the city that a revitalization program has been approved by the city council for the targeted neighborhood must be provided to the commissioner together with a copy of the program. A copy of the program must also be provided to the Minnesota housing finance agency and the state planning agency.

(e) (d) A revitalization program for the city may be modified at any time by the city council after a public hearing, notice of which is published in a newspaper of general circulation in the city and in the targeted neighborhood at least ten days nor more than 30 days before the date of the hearing. If the city council determines that the proposed modification is a significant modification to the program originally certified under paragraph (d) (c), the city council shall implement the revitalization program approval and certification process of this subdivision for the proposed modification.

Sec. 7. [REPEALER.]

Minnesota Statutes 1989 Supplement, section 469.203, subdivision 5, is repealed."

Amend the title as follows:

Page 1, line 9, after the semicolon, insert "changing the procedure for adopting a neighborhood revitalization program;"

Page 1, line 10, delete "2" and insert "1, 2," and after "116J.8766" insert a comma

Page 1, line 11, delete "and" and before the period, insert "; and 469.203, subdivision 4; repealing Minnesota Statutes 1989 Supplement, section 469.203, subdivision 5"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1745: A bill for an act relating to children; regulating child custody and visitation in dissolution and other proceedings; amending Minnesota Statutes 1988, sections 257.025; 257.541, subdivision 2; 518.003, subdivision 3, and by adding a subdivision; 518.156; 518.619; and 518.64, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1988, section 144.224, is amended to read:

144.224 [REPORTS OF DISSOLUTION AND ANNULMENT OF MARRIAGE.]

Each month the court administrator shall forward to the commissioner of health the statistical report forms collected pursuant to section 518.147 during the preceding month. The report form shall include only the following information:

- (a) name, date of birth, birthplace, residence, race, and educational attainment of the husband and wife;
- (b) county of decree;
- (c) date and type of decree;
- (d) place and date of marriage;
- (e) date of separation;
- (f) number and ages of children of marriage;
- (g) amount and status of maintenance and child support;
- (h) custody of children, *including whether joint legal or physical custody was awarded*;
- (i) income of the parties;
- (j) length of separation and length of marriage; and
- (k) number of previous marriages and reasons for ending the previous marriages (death, dissolution, or annulment).

The commissioner may publish data collected under this section in summary form only. The statistical report form shall contain a statement that neither the report form, nor information contained in the form, shall be admissible in evidence in this or any subsequent proceeding."

Page 1, line 12, before "In" insert "(a)"

Page 1, lines 15 and 16, delete the quotation marks

Page 3, line 7, before the first "The" insert "(b)"

Page 3, line 10, before "The" insert "(c)" and delete "shall" and insert "may"

Page 3, line 13, before "The" insert "(d)"

Page 3, line 15, before the first "A" insert "(e)"

Page 3, line 16, delete "pursuant to" and insert "under"

Page 3, line 17, delete "The provisions of" and insert "(f)" and delete ", shall be applicable" and insert "applies"

Page 3, after line 30, insert:

"Sec. 4. Minnesota Statutes 1989 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 \$55, except that in an action for marriage dissolution, the fee is ~~\$75~~ \$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 \$55, except that in an action for marriage dissolution, the fee for the respondent is ~~\$75~~ \$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 sections 106A.005 to 106A.811, 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, \$5.

(5) Issuing a transcript of judgment, or for filing and docketing a transcript of judgment from another court, \$5.

(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, \$1 for each name certified to and \$3 for each judgment 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) 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. 5. Minnesota Statutes 1989 Supplement, section 480.241, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT OF SURCHARGE; COLLECTION BY COURT ADMINISTRATORS.] A plaintiff, petitioner, defendant, respondent, intervenor or moving party in any trial court civil action or civil proceeding in which an initial filing fee is payable by that party, except a marriage dissolution or conciliation court action, shall pay to the court administrator a surcharge of ~~\$25~~ \$30 in addition to the initial filing fee otherwise prescribed. A plaintiff, defendant, or moving party in any conciliation court action in which an initial filing fee is payable shall pay to the court administrator of conciliation court a surcharge of \$3 in addition to the initial filing fee otherwise prescribed. Notwithstanding any other law or rule to the contrary, no surcharge shall be paid by any governmental unit of the state of Minnesota, any local unit of government, or agency thereof."

Page 4, line 22, delete "*child neglect and dependency*" and insert "*proceedings involving children who are in need of protection or services*"

Page 4, line 23, delete "*proceedings*"

Page 4, line 26, delete "'*Mediation*' is" and insert "[MEDIATION.] '*Mediation*' means"

Page 4, after line 28, insert:

"Sec. 8. Minnesota Statutes 1988, section 518.131, subdivision 1, is amended to read:

Subdivision 1. In a proceeding brought for custody, dissolution, or legal separation, or for disposition of property, maintenance, or child support following the dissolution of a marriage, either party may, by motion, request from the court and the court may grant a temporary order pending the final disposition of the proceeding to or for:

(a) Temporary custody and visitation rights of the minor children of the parties;

(b) Temporary maintenance of either spouse;

(c) Temporary child support for the children of the parties;

(d) *Temporary costs or attorney fees*;

(e) Award the temporary use and possession, exclusive or otherwise, of the family home, furniture, household goods, automobiles and other property of the parties;

(f) Restrain one or both parties from transferring, encumbering, concealing or disposing of property except in the usual course of business or for the necessities of life, and to account to the court for all such transfers, encumbrances, dispositions and expenditures made after the order is served or communicated to the party restrained in open court;

(g) Restrain one or both parties from harassing, vilifying, mistreating, molesting, disturbing the peace, or restraining the liberty of the other party or the children of the parties;

(h) Restrain one or both parties from removing any minor child of the parties from the jurisdiction of the court;

(i) Exclude a party from the family home of the parties or from the home of the other party; and

(j) Require one or both of the parties to perform or to not perform such additional acts as will facilitate the just and speedy disposition of the proceeding, or will protect the parties or their children from physical or emotional harm.

Sec. 9. Minnesota Statutes 1988, section 518.131, subdivision 7, is amended to read:

Subd. 7. The court shall be guided by the factors set forth in sections 518.551 (concerning child support), 518.552 (concerning maintenance) and, 518.17 to 518.175 (concerning custody and visitation), and 518.14 (concerning costs and attorney fees) in making temporary orders and restraining orders.

Sec. 10. Minnesota Statutes 1988, section 518.14, is amended to read:

518.14 [COSTS AND DISBURSEMENTS AND ATTORNEY'S FEES.]

In a proceeding brought either for dissolution or legal separation under

this chapter, the court, from time to time, after considering the financial resources of both parties, may require one party to pay a reasonable amount necessary to enable the other spouse to carry on or to contest the proceeding, and to pay attorney's fees, including sums for legal services rendered and costs incurred prior to the commencement or after entry of judgment. The court may adjudge costs and disbursements against either party. *The court shall award attorney fees and costs to a party if the party shows that it will be unable to effectively in good faith pursue relief in family court without assistance and the opposing party has the ability to pay.* 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."

Page 5, after line 18, insert:

"Sec. 12. Minnesota Statutes 1988, section 518.167, subdivision 2, is amended to read:

Subd. 2. [PREPARATION.] (a) In preparing a report concerning a child, the investigator may consult any person who may have information about the child and the potential custodial arrangements except for persons involved in mediation efforts between the parties. Mediation personnel may disclose to investigators and evaluators information collected during mediation only if agreed to in writing by all parties. Upon order of the court, the investigator may refer the child to professional personnel for diagnosis. The investigator may consult with and obtain information from medical, psychiatric, school personnel, or other expert persons who have served the child in the past after obtaining the consent of the parents or the child's custodian or guardian.

(b) *The report submitted by the investigator must consider and evaluate the factors in section 518.17, subdivision 1, and include a detailed analysis of all information considered for each factor. If joint custody is contemplated or sought, the report must consider and evaluate the factors in section 518.17, subdivision 2, state the position of each party and the investigator's recommendation and the reason for the recommendation, and reference established means for dispute resolution between the parties.*

Sec. 13. Minnesota Statutes 1989 Supplement, section 518.17, subdivision 2, is amended to read:

Subd. 2. [FACTORS WHEN JOINT CUSTODY IS SOUGHT.] In addition to the factors listed in subdivision 1, where either joint legal or joint physical custody is contemplated or sought, the court shall consider the following relevant factors:

(a) The ability of parents to cooperate in the rearing of their children;

(b) Methods for resolving disputes regarding any major decision concerning the life of the child, and the parents' willingness to use those methods;

(c) Whether it would be detrimental to the child if one parent were to

have sole authority over the child's upbringing; and

(d) Whether domestic abuse, as defined in section 518B.01, has occurred between the parents.

The court shall use a rebuttable presumption that upon request of either or both parties, joint legal custody is in the best interests of the child. *If the court awards joint legal or physical custody over the objection of a party, the court shall make detailed findings on each of the factors in this subdivision and explain how the factors led to its determination that joint custody would be in the best interests of the child.*

Sec. 14. Minnesota Statutes 1989 Supplement, 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 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.

If the person seeking visitation rights has been convicted of a crime described in subdivision 8, paragraph (d), the presumptions and standards of subdivision 8, paragraph (c), apply. In addition, if the court finds, after a hearing, that visitation is likely to endanger the child's physical or emotional health or impair the child's emotional development, the court shall restrict visitation by the noncustodial parent as to time, place, duration, or supervision and may deny visitation entirely, as the circumstances warrant. The court shall consider the age of the child and the 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. 15. Minnesota Statutes 1989 Supplement, section 518.175, subdivision 5, is amended to read:

Subd. 5. The court shall modify an order granting or denying visitation rights whenever modification would serve the best interests of the child; ~~but the court shall~~. *Except as provided in subdivision 8, the court may not restrict visitation rights unless it finds that:*

(1) the visitation is likely to endanger the child's physical or emotional health or impair the child's emotional development; or

(2) the noncustodial parent has chronically and unreasonably failed to comply with court-ordered visitation.

If the custodial parent makes specific allegations that visitation places the custodial parent *or child* in danger of harm, the court shall hold a hearing at the earliest possible time to determine the need to modify the order granting visitation rights. The court may require a third party, including the county welfare board, to supervise the visitation or may restrict a parent's visitation rights if necessary to protect the custodial parent *or child* from harm.

Sec. 16. Minnesota Statutes 1988, section 518.175, is amended by adding a subdivision to read:

Subd. 8. [SUSPENSION OF VISITATION.] (a) For purposes of this

subdivision, "person with visitation rights" includes a noncustodial parent or other person with court-ordered visitation rights.

(b) If a person with visitation rights has been convicted of a crime listed in paragraph (d), the custodial parent or any other person who has been granted custody of the child under a court order may file an objection to visitation with the court. The objection must include a certified copy of the conviction. The custodial parent or other person having custody shall give notice to the person with visitation rights of the objection and the person with visitation rights has 20 days from the notice to respond. If the person fails to respond within 20 days, the person's visitation rights are suspended until further order of the court. If the person responds and objects, a hearing must be held within 30 days of the response.

(c) The person with visitation rights has the burden at the hearing to prove that visitation by the person is in the best interests of the child. The court shall suspend the person's visitation rights unless it finds that visitation is in the best interests of the child. If the victim of the crime was a family or household member as defined in section 518B.01, subdivision 2, the standard of proof is clear and convincing evidence.

(d) This subdivision applies to the following crimes or similar crimes under the laws of the United States or any other state:

(1) murder in the first, second, or third degree under section 609.185, 609.19, or 609.195;

(2) manslaughter in the first degree under section 609.20;

(3) assault in the first, second, or third degree under section 609.221, 609.222, or 609.223;

(4) kidnapping under section 609.25;

(5) depriving another of custodial or parental rights under section 609.26;

(6) soliciting, inducing, or promoting prostitution involving a minor under section 609.322;

(7) receiving profit from prostitution involving a minor under section 609.323;

(8) criminal sexual conduct in the first degree under section 609.342;

(9) criminal sexual conduct in the second degree under section 609.343;

(10) criminal sexual conduct in the third degree under section 609.344, subdivision 1, paragraph (c), (f), or (g);

(11) solicitation of a child to engage in sexual conduct under section 609.352;

(12) incest under section 609.365;

(13) malicious punishment of a child under section 609.377; or

(14) neglect of a child under section 609.378.

(e) This subdivision does not prevent a court from restricting or denying visitation rights under this section even if the person has not been convicted of a crime listed in paragraph (d).

Sec. 17. Minnesota Statutes 1988, section 518.18, is amended to read:
518.18 [MODIFICATION OF ORDER.]

(a) Unless agreed to in writing by the parties, no motion to modify a custody order may be made earlier than one year after the date of the entry of a decree of dissolution or legal separation containing a provision dealing with custody, except in accordance with clause (c) or (e).

(b) If a motion for modification has been heard, whether or not it was granted, unless agreed to in writing by the parties no subsequent motion may be filed within two years after disposition of the prior motion on its merits, except in accordance with clause (c) or (e).

(c) The time limitations prescribed in clauses (a) and (b) shall not prohibit a motion to modify a custody order if the court finds that there is persistent and willful denial or interference with visitation, or has reason to believe that the child's present environment may endanger the child's physical or emotional health or impair the child's emotional development.

(d) If the court has jurisdiction to determine child custody matters, the court shall not modify a prior custody order unless it finds, upon the basis of facts that have arisen since the prior order or that were unknown to the court at the time of the prior order, that a change has occurred in the circumstances of the child or the custodian and that the modification is necessary to serve the best interests of the child. In applying these standards the court shall retain the custodian established by the prior order unless:

(i) The custodian agrees to the modification;

(ii) The child has been integrated into the family of the petitioner with the consent of the custodian; or

(iii) The child's present environment endangers the child's physical or emotional health or impairs the child's emotional development and the harm likely to be caused by a change of environment is outweighed by the advantage of a change to the child.

(e) If a person who has custody of a child has been convicted of a crime listed in section 518.175, subdivision 8, paragraph (d), the noncustodial parent or other person seeking custody may file a motion for a change of custody with the court. The motion must include a certified copy of the conviction. The noncustodial parent or person seeking custody must give notice of the motion to the person who has custody and that person has 20 days from the notice to respond. If the person fails to respond within 20 days, the court shall grant custody to the noncustodial parent or other person in accordance with section 518.17. If the person with custody responds and objects, a hearing must be held within 30 days of the response. The person with custody has the burden at the hearing to prove that custody by the person is in the best interests of the child. The court shall grant custody to the noncustodial parent or other person in accordance with section 518.17 unless it finds that the current custodial arrangement is in the best interests of the child. If the victim of the crime was a family or household member as defined in section 518B.01, subdivision 2, the standard of proof for maintaining the current custodial arrangement is clear and convincing evidence."

Page 5, line 26, after the second "custody" insert "or visitation"

Page 5, line 28, after "rights" insert a comma

Page 5, line 29, strike "or" and insert a comma

Page 5, line 34, delete "which" and insert "that"

Page 6, line 1, delete "shall have no" and insert "does not have"

Page 6, line 6, delete "which" and insert "that"

Page 7, line 12, delete "shall" and insert "may"

Pages 7 and 8, delete section 7 and insert:

"Sec. 19. [APPROPRIATION.]

\$ is appropriated from the general fund to the supreme court to be distributed under Minnesota Statutes, section 480.242, to the qualified legal services programs described in section 480.242, subdivision 2, paragraph (a), to improve the access of low-income clients to legal representation in family law matters."

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to children; regulating child custody and visitation in dissolution and other proceedings; providing for suspension of visitation rights or change of custody when a parent has been convicted of certain crimes; requiring expedited hearings of visitation motions alleging that a child is in danger of harm and providing for supervised or restricted visitation; modifying dissolution statistical reporting requirements; modifying standards for joint legal custody; requiring specific findings supporting joint custody in certain cases; providing for the award of temporary attorney fees; providing for funding of legal representation in family law matters; increasing marriage dissolution filing fees and civil filing fees surcharge; appropriating money; amending Minnesota Statutes 1988, sections 144.224; 257.025; 257.541, subdivision 2; 518.003, subdivision 3, and by adding a subdivision; 518.131, subdivisions 1 and 7; 518.14; 518.156; 518.167, subdivision 2; 518.175, by adding a subdivision; 518.18; 518.619; Minnesota Statutes 1989 Supplement, sections 357.021, subdivision 2; 480.241, subdivision 1; 518.17, subdivision 2; and 518.175, subdivisions 1 and 5."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2045 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2045	1905				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2045 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2045 and insert the language after the enacting clause of S.F. No. 1905, the first engrossment; further, delete the title of H.F. No. 2045 and insert the title of S.F. No. 1905, the first engrossment.

And when so amended H.F. No. 2045 will be identical to S.F. No. 1905, and further recommends that H.F. No. 2045 be given its second reading

and substituted for S.F. No. 1905, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 2517, 2068, 2571, 2493, 2391, 2514, 1826, 2064, 1365, 1977, 1853, 2433, 2396, 2408, 2241, 2498, 1795, 1971, 394, 2431, 1880, 2181, 2252, 1866, 2445, 409 and 2360 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 2321, 2481 and 2045 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Pehler moved that the name of Mr. Brandl be added as a co-author to S.F. No. 1686. The motion prevailed.

Mr. Cohen moved that the name of Mr. Brandl be added as a co-author to S.F. No. 1739. The motion prevailed.

Ms. Reichgott moved that the name of Mr. Pehler be added as a co-author to S.F. No. 2159. The motion prevailed.

Mr. Frank moved that the name of Mr. Frederickson, D.R. be added as a co-author to S.F. No. 2281. The motion prevailed.

Mrs. McQuaid introduced—

Senate Resolution No. 166: A Senate resolution congratulating the St. Louis Park Orioles Girls Basketball team for winning the 1990 Class AA Girls Basketball Tournament.

Referred to the Committee on Rules and Administration.

Mr. Pogemiller moved that S.F. No. 2594 be withdrawn from the Committee on Economic Development and Housing and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Mr. Moe, R.D. moved that House Concurrent Resolution No. 5 be taken from the table. The motion prevailed.

House Concurrent Resolution No. 5: A House concurrent resolution congratulating the 1990 International Trans-Antarctica Expedition Team on its successful continental crossing.

WHEREAS, the 1990 International Trans-Antarctica Expedition team consists of: Will Steger, of the United States of America; Dr. Jean-Louis Etienne, of France; Dr. Victor Boyarsky, of the Union of Soviet Socialist Republics; Geoff Somers, of Great Britain; Keizo Funatsu, of Japan; and Qin Dahe, of the People's Republic of China; and

WHEREAS, the international composition of the expedition purposefully reflects the Antarctic Treaty, signed in 1961 and kept by 39 countries, that sets aside Antarctica as an international scientific laboratory; and

WHEREAS, logging nearly 4,000 miles in the harshest conditions

earth, the six men and their sled dogs, 40 polar huskies, traveled for seven months; and

WHEREAS, they began at Seal Nunataks on the Antarctic Peninsula on July 27, 1989, the middle of austral winter; and

WHEREAS, on the first leg of their journey, along the mountainous peninsula never before traversed in winter, the team experienced a 60-day storm with winds up to 100 miles per hour, temperatures as low as minus 45 degrees Fahrenheit, and deep snow that slowed their progress and threatened their lives; and

WHEREAS, in November, on top of the Antarctic Plateau, the team increased its mileage from an average of 8 miles per day to 25 miles per day and made up nearly one month of lost time; and

WHEREAS, the expedition reached the South Pole on December 11, 1989, becoming the first to do so by dogsled since its discovery in 1912 by Roald Amundsen, of Norway; and

WHEREAS, two of the huskies belonging to Will Steger, a native Minnesotan, became the first to travel to both poles; and

WHEREAS, the team next accomplished the first on-foot crossing of the Area of Inaccessibility, a 750-mile stretch named for its remoteness and unilateral distance from all coasts of the continent, and reached the Soviet Vostok station on January 18, 1990; and

WHEREAS, the last 850 miles consisted of 41 days of enduring temperatures as low as minus 54 degrees Fahrenheit, and windchills as low as minus 113 degrees Fahrenheit, before reaching Mirnyy, a Soviet base, on March 3, 1990; and

WHEREAS, the completion of the expedition is the first unmechanized traverse of Antarctica traveling the west to east axis; and

WHEREAS, a public celebration will be held at 12:00 Noon, on Saturday, March 24, 1990, on the State Capitol lawn and will include a banner parade, songs, band music, and proclamations; NOW, THEREFORE,

BE IT RESOLVED by the House of Representatives of the State of Minnesota, the Senate concurring, that it congratulates the 1990 International Trans-Antarctica Expedition Team on its successful continental crossing.

BE IT FURTHER RESOLVED that the Chief Clerk of the House of Representatives is directed to prepare enrolled copies of this resolution, to be authenticated by himself and the Speaker of the House of Representatives and by the Chair of the Senate Rules and Administration Committee and the Secretary of the Senate, and that they be presented to the members of the 1990 International Trans-Antarctica Expedition.

Mr. Johnson, D.J. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Messrs. Moe, R.D. and Benson introduced—

Senate Resolution No. 167: A Senate resolution recognizing Ralph C. Graham for his 25 years of service to the Minnesota Senate.

WHEREAS, Ralph C. Graham was born July 6, 1925, attended John Marshall High School, business college, and is a radiologic technology

school graduate; and

WHEREAS, Ralph worked for the Minneapolis Veterans Hospital from 1946 to 1980, worked as a Senate Sergeant from 1965 until his election by the members of the Senate to the position of Assistant Sergeant at Arms in 1981; and

WHEREAS, from 1981 to the present time, he has been elected to this position every two years; and

WHEREAS, a reception honoring Ralph will be held at the Minnesota Club, Tuesday, March 20, 1990; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota that it recognizes Ralph C. Graham for his 25 years of hard work, loyalty, and service to the Senate.

BE IT FURTHER RESOLVED that the Secretary of the Senate is directed to prepare an enrolled copy of this resolution, to be authenticated by his signature and that of the Chairman of the Senate Rules and Administration Committee and the Senate Minority Leader and present it to Ralph C. Graham.

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

SUSPENSION OF RULES

Mr. Moe, R.D. moved that the Senate take up the Calendar and that the rules of the Senate be so far suspended as to waive the lie-over requirement. The motion prevailed.

CALENDAR

S.F. No. 1698: A bill for an act relating to health; codifying existing law restricting construction of new hospitals; repealing a sunset; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Laws 1984, chapter 654, article 5, section 57, as amended.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 1670: A bill for an act relating to natural resources; prohibiting transportation of Eurasian water milfoil; providing exceptions; providing penalties for not removing Eurasian water milfoil from watercraft; providing penalties; amending Minnesota Statutes 1988, section 361.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 18.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Speak
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

H.F. No. 1895: A bill for an act relating to courts; providing an alternative dispute resolution pilot project in the second judicial district; amending Minnesota Statutes 1989 Supplement, section 484.74, subdivision 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Speak
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

H.F. No. 951: A bill for an act relating to utilities; providing for the establishment of competitive electric utility rates for certain customers subject to effective competition; authorizing public utilities commission to require utility to initiate rate proceeding under limited circumstances; removing repealer of laws providing for establishment of flexible gas utility

rates for certain customers subject to effective competition; amending Minnesota Statutes 1988, sections 216B.045, subdivision 5; and 216B.17, subdivision 6, and by adding a subdivision; Laws 1987, chapter 371, section 4; proposing coding for new law in Minnesota Statutes, chapter 216B; repealing Minnesota Statutes 1988, section 216B.17, subdivisions 2, 3, 4, and 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 1897: A bill for an act relating to taxation; property; clarifying employment terms of city and town assessors; amending Minnesota Statutes 1988, section 273.05, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 1851: A bill for an act relating to the military; authorizing appointment of an executive director of the department of military affairs; amending Minnesota Statutes 1988, section 190.08, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 838: A bill for an act relating to motor vehicles; providing for special license plates for disabled persons; setting fee for duplicate personalized license plates; amending Minnesota Statutes 1988, sections 168.012, subdivision 3a; 168.021, as amended; 168.12, subdivision 2a; 168.125, subdivision 2; 168.27, subdivision 2; 168.29; 169.01, subdivision 24a; 169.215; and 169.346; Minnesota Statutes 1989 Supplement, sections 168.011, subdivision 4; 168.012, subdivision 1; and 169.345; repealing Minnesota Statutes 1988, section 168.12, subdivisions 3 and 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 2046: A bill for an act relating to crime victims; providing for a notice for victims of sexual assault concerning their risk of developing sexually transmitted diseases; proposing coding for new law in Minnesota Statutes, chapter 611A.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Metzen	Reichgott
Anderson	Decker	Knaak	Moe, D.M.	Renneke
Beckman	DeCramer	Kroening	Moe, R.D.	Samuelson
Belanger	Dicklich	Laidig	Morse	Schmitz
Benson	Diessner	Langseth	Novak	Solon
Berg	Flynn	Lantry	Olson	Spear
Berglin	Frank	Larson	Pariseau	Storm
Bernhagen	Frederick	Lessard	Pehler	Stumpf
Bertram	Frederickson, D.J.	Luther	Peterson, R.W.	Vickerman
Brandl	Frederickson, D.R.	Marty	Piepho	Waldorf
Brataas	Freeman	McGowan	Piper	
Chmielewski	Gustafson	McQuaid	Pogemiller	
Cohen	Hughes	Mehrkens	Purfeerst	
Dahl	Johnson, D.E.	Merriam	Ramstad	

So the bill passed and its title was agreed to.

S.F. No. 1879: A bill for an act relating to natural resources; amending a certain requirement relating to the sale of state timber; amending Minnesota Statutes 1988, section 90.101, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 1927: A bill for an act relating to education; changing state board of vocational technical education powers; amending Minnesota Statutes 1988, section 136C.04, subdivision 12.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Metzen	Reichgott
Anderson	Decker	Knaak	Moe, D.M.	Renneke
Beckman	DeCramer	Kroening	Moe, R.D.	Samuelson
Belanger	Dicklich	Laidig	Morse	Schmitz
Benson	Diessner	Langseth	Novak	Solon
Berg	Flynn	Lantry	Olson	Spear
Berglin	Frank	Larson	Pariseau	Storm
Bernhagen	Frederick	Lessard	Pehler	Stumpf
Bertram	Frederickson, D.J.	Luther	Peterson, R.W.	Vickerman
Brandl	Frederickson, D.R.	Marty	Piepho	Waldorf
Brataas	Freeman	McGowan	Piper	
Chmielewski	Gustafson	McQuaid	Pogemiller	
Cohen	Hughes	Mehrkens	Purfeerst	
Dahl	Johnson, D.E.	Merriam	Ramstad	

So the bill passed and its title was agreed to.

S.F. No. 2092: A bill for an act relating to cities; regulating financial operations of municipal hospitals of statutory cities; changing the method of selection of the hospital board for St. Louis and Koochiching counties from election at large to appointment by the county boards; amending Minnesota Statutes 1988, section 412.221, subdivision 16; and Laws 1988, chapter 645, section 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 1980: A bill for an act relating to local government; requiring additional notice of various vacation proceedings; amending Minnesota Statutes 1988, section 368.01, subdivision 25; and Minnesota Statutes 1989 Supplement, section 412.851.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

H.F. No. 2188: A bill for an act relating to local government; permitting towns to publish collections of town ordinances, resolutions, rules, and laws; amending Minnesota Statutes 1988, sections 415.021 and 599.13.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 2090: A bill for an act relating to towns; regulating town meetings; providing for town deputy treasurer; amending Minnesota Statutes 1988, sections 365.51, subdivision 1; and 365.58; proposing coding for new law in Minnesota Statutes, chapter 367.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 2172: A bill for an act relating to waters; requiring the commissioner of natural resources to establish a plan for drought emergencies; changing the completion date for the metropolitan council's long-term water supply plan; amending Minnesota Statutes 1989 Supplement, section 473.156, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 105.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Metzen	Reichgott
Anderson	Decker	Knutson	Moe, D.M.	Renneke
Beckman	DeCramer	Kroening	Moe, R.D.	Samuelson
Belanger	Dicklich	Laidig	Morse	Schmitz
Benson	Diessner	Langseth	Novak	Solon
Berg	Flynn	Lantry	Olson	Spear
Berglin	Frank	Larson	Pariseau	Storm
Bernhagen	Frederick	Lessard	Pehler	Stumpf
Bertram	Frederickson, D.J.	Luther	Peterson, R. W.	Vickerman
Brandl	Frederickson, D.R.	Marty	Piepho	Waldorf
Brataas	Freeman	McGowan	Piper	
Chmielewski	Gustafson	McQuaid	Pogemiller	
Cohen	Johnson, D.E.	Mehrkens	Purfeerst	
Dahl	Johnson, D.J.	Merriam	Ramstad	

So the bill passed and its title was agreed to.

S.F. No. 2281: A bill for an act relating to port authorities; allowing a port authority to use foreign trade zone powers, if granted, outside its port district; amending Minnesota Statutes 1988, section 469.059, subdivision 14.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 6, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.E.	McQuaid	Purfeerst
Anderson	DeCramer	Johnson, D.J.	Mehrkens	Ramstad
Beckman	Dicklich	Knaak	Metzen	Reichgott
Belanger	Diessner	Kroening	Moe, D.M.	Renneke
Berglin	Flynn	Laidig	Moe, R.D.	Samuelson
Bernhagen	Frank	Langseth	Morse	Schmitz
Bertram	Frederick	Lantry	Novak	Solon
Brataas	Frederickson, D.J.	Larson	Olson	Storm
Chmielewski	Frederickson, D.R.	Lessard	Pariseau	Stumpf
Cohen	Freeman	Luther	Pehler	Vickerman
Dahl	Gustafson	Marty	Piepho	Waldorf
Davis	Hughes	McGowan	Piper	

Those who voted in the negative were:

Benson	Knutson	Merriam	Peterson, R. W.	Spear
Berg				

So the bill passed and its title was agreed to.

S.F. No. 2208: A bill for an act relating to crimes; providing that it is a prima facie case for reference for prosecution as an adult if a child is alleged to have committed a felony offense as part of, or subsequent to, the delinquent act of escape from confinement to a local juvenile correctional facility; making it a crime for an alleged or adjudicated juvenile delinquent who is 18 years old to escape from a local juvenile correctional facility; amending Minnesota Statutes 1988, sections 260.015, subdivision 5; and 609.485, subdivisions 2 and 4; and Minnesota Statutes 1989 Supplement, section 260.125, subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 2127: A bill for an act relating to forestry; implementing a statewide program to encourage maintenance and expansion of community and urban forests; assigning responsibilities to various state agencies and municipalities; proposing coding for new law in Minnesota Statutes, chapter 17.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Reichgott
Anderson	Decker	Knaak	Metzen	Renneke
Beckman	DeCramer	Knutson	Moe, D.M.	Samuelson
Belanger	Dicklich	Kroening	Moe, R.D.	Schmitz
Benson	Diessner	Laidig	Morse	Solon
Berg	Flynn	Langseth	Novak	Spear
Berglin	Frank	Lantry	Olson	Storm
Bernhagen	Frederick	Larson	Pariseau	Stumpf
Bertram	Frederickson, D.J.	Lessard	Pehler	Vickerman
Brandl	Frederickson, D.R.	Luther	Piepho	Waldorf
Brataas	Freeman	Marty	Piper	
Chmielewski	Gustafson	McGowan	Pogemiller	
Cohen	Hughes	McQuaid	Purfeerst	
Dahl	Johnson, D.E.	Mehrkens	Ramstad	

Mr. Peterson, R.W. voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 2039: A bill for an act relating to motor vehicles; exempting certain water well drilling equipment and vehicles from registration and taxation requirements; amending Minnesota Statutes 1988, section 168.012, subdivision 5; Minnesota Statutes 1989 Supplement, section 168.011, subdivision 22.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 1983: A bill for an act relating to liquor; authorizing the metropolitan airports commission to issue off-sale liquor licenses for the sale of Minnesota wine; amending Minnesota Statutes 1988, section 340A.405, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 1920: A bill for an act relating to elections; making various changes in laws applicable to school district elections; amending Minnesota Statutes 1988, sections 201.071, subdivision 3; 203B.08, subdivision 3; 204B.08, subdivision 3; 204B.14, subdivision 5; 204B.17; 204B.44; 204C.22, subdivisions 9, 10, 15, and by adding a subdivision; 204D.04, subdivision 2; 205A.05, subdivision 1; 205A.07, by adding a subdivision; 205A.09, subdivision 2; 205A.11; 209.02, subdivision 1; 209.03; 209.09, subdivision 1; and 211A.01, subdivision 6; and Minnesota Statutes 1989 Supplement, sections 205A.10, subdivisions 2 and 3; and 209.021, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	McQuaid	Pogemiller
Anderson	Davis	Johnson, D.J.	Mehrkens	Purfeerst
Beckman	Decker	Knaak	Metzen	Ramstad
Belanger	DeCramer	Knutson	Moe, D.M.	Reichgott
Benson	Diessner	Kroening	Moe, R.D.	Renneke
Berg	Flynn	Laidig	Morse	Samuelson
Berglin	Frank	Langseth	Novak	Schmitz
Bernhagen	Frederick	Lantry	Olson	Solon
Bertram	Frederickson, D.J.	Larson	Pariseau	Spear
Brandl	Frederickson, D.R.	Lessard	Pehler	Storm
Brataas	Freeman	Luther	Peterson, R.W.	Stumpf
Chmielewski	Gustafson	Marty	Piepho	Vickerman
Cohen	Hughes	McGowan	Piper	Waldorf

Mr. Dicklich voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 2079: A bill for an act relating to state parks; renaming Helmer Myre and Nerstrand Woods state parks; amending Minnesota Statutes 1988, section 85.012, subdivisions 27 and 45.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Reichgott
Anderson	Decker	Knaak	Metzen	Renneke
Beckman	DeCramer	Knutson	Moe, D.M.	Samuelson
Belanger	Dicklich	Kroening	Moe, R.D.	Schmitz
Benson	Diessner	Laidig	Morse	Solon
Berg	Flynn	Langseth	Novak	Spear
Berglin	Frank	Lantry	Olson	Storm
Bernhagen	Frederick	Larson	Pariseau	Stumpf
Bertram	Frederickson, D.J.	Lessard	Peterson, R.W.	Vickerman
Brandl	Frederickson, D.R.	Luther	Piepho	Waldorf
Brataas	Freeman	Marty	Piper	
Chmielewski	Gustafson	McGowan	Pogemiller	
Cohen	Hughes	McQuaid	Purfeerst	
Dahl	Johnson, D.E.	Mehrkens	Ramstad	

Mr. Pehler voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 772: A bill for an act relating to traffic regulations; providing that signs for handicapped parking spaces state penalty imposed for unlawful use; amending Minnesota Statutes 1988, section 169.346, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R. W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 1768: A bill for an act relating to financial institutions; regulating electronic fund transfer facilities; providing for access by other transmission facilities; amending Minnesota Statutes 1988, sections 47.61, by adding a subdivision; and 47.65, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R. W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 1726: A bill for an act relating to child care funding; authorizing the commissioner of human services to promulgate rules directing county boards to establish certain payment policies; amending Minnesota Statutes 1989 Supplement, section 256H.02.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brutaas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 1739: A bill for an act relating to metropolitan government; clarifying provisions for compensation; amending Minnesota Statutes 1988, sections 473.123, subdivision 5; and 473.141, subdivision 7; Minnesota Statutes 1989 Supplement, sections 473.605, subdivision 2; and 473.704, subdivision 6.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brutaas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 2179: A bill for an act relating to local government in Ramsey county; eliminating certain performance bonds; permitting fees for inspections by the county surveyor; amending Minnesota Statutes 1988, section 383A.32, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 383A.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 2383: A bill for an act relating to cities; permitting the establishment of boundary commissions; proposing coding for new law in Minnesota Statutes, chapter 465.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 2119: A bill for an act relating to Blue Earth county; permitting the appointment of the auditor, recorder, and treasurer; authorizing the reorganization of county offices.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 9, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Kroening	Moe, D.M.	Samuelson
Belanger	Dicklich	Laidig	Moe, R.D.	Solon
Berglin	Diessner	Langseth	Novak	Spear
Bernhagen	Frank	Lantry	Olson	Storm
Bertram	Frederick	Larson	Pariseau	Stumpf
Brandl	Frederickson, D.R.	Luther	Pehler	Vickerman
Brataas	Freeman	Marty	Peterson, R.W.	Waldorf
Chmielewski	Gustafson	McGowan	Piepho	
Cohen	Hughes	McQuaid	Piper	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

Those who voted in the negative were:

Benson	Flynn	Knutson	Morse	Schmitz
Berg	Frederickson, D.J.	Lessard	Renneke	

So the bill passed and its title was agreed to.

S.F. No. 2373: A bill for an act relating to Olmsted county; permitting the consolidation of the offices of auditor and treasurer.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 13, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Freeman	McGowan	Piper
Anderson	Dahl	Gustafson	McQuaid	Pogemiller
Beckman	Davis	Hughes	Metzen	Purfeerst
Belanger	Decker	Johnson, D.J.	Moe, D.M.	Ramstad
Berg	DeCramer	Knaak	Moe, R. D.	Reichgott
Berglin	Dicklich	Knutson	Novak	Solon
Bernhagen	Diessner	Laidig	Olson	Spear
Bertram	Flynn	Langseth	Pariseau	Storm
Brandl	Frank	Lantry	Pehler	Stumpf
Brataas	Frederick	Luther	Peterson, R. W.	Vickerman
Chmielewski	Frederickson, D.R.	Marty	Piepho	

Those who voted in the negative were:

Benson	Kroening	Mehrkens	Renneke	Waldorf
Frederickson, D.J.	Larson	Merriam	Samuelson	
Johnson, D.E.	Lessard	Morse	Schmitz	

So the bill passed and its title was agreed to.

S.F. No. 2381: A bill for an act relating to highways; substituting new Legislative Route No. 298 in the trunk highway system.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R. D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R. W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 1162: A bill for an act relating to drivers' licenses; setting deadline for court administrators to forward driver's license or permit applications and fees to the department of public safety; amending Minnesota Statutes 1988, section 171.06, subdivision 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 2267: A bill for an act relating to law enforcement; barring traffic citation quotas; proposing coding for new law in Minnesota Statutes, chapter 169.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 4, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	McQuaid	Ramstad
Anderson	Davis	Johnson, D.J.	Mehrkens	Reichgott
Beckman	Decker	Knaak	Metzen	Renneke
Belanger	DeCramer	Knutson	Moe, D.M.	Samuelson
Benson	Dicklich	Kroening	Moe, R.D.	Schmitz
Berg	Diessner	Laidig	Morse	Solon
Berglin	Frank	Langseth	Olson	Spear
Bernhagen	Frederick	Lantry	Pariseau	Storm
Bertram	Frederickson, D.J.	Larson	Pehler	Stumpf
Brandl	Frederickson, D.R.	Lessard	Piepho	Vickerman
Brataas	Freeman	Luther	Piper	Waldorf
Chmielewski	Gustafson	Marty	Pogemiller	
Cohen	Hughes	McGowan	Purfeerst	

Ms. Flynn, Messrs. Merriam, Novak and Peterson, R.W. voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 2424: A bill for an act relating to insurance; life; regulating policies with accelerated benefits; modifying the application of certain provisions; prescribing a penalty; amending Minnesota Statutes 1989 Supplement, section 61A.072, subdivision 3, and by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Metzen	Ramstad
Anderson	Dicklich	Knutson	Moe, D.M.	Reichgott
Beckman	Diessner	Kroening	Moe, R.D.	Renneke
Belanger	Flynn	Laidig	Morse	Samuelson
Benson	Frank	Langseth	Novak	Schmitz
Berglin	Frederick	Lantry	Olson	Solon
Bernhagen	Frederickson, D.J.	Larson	Pariseau	Spear
Bertram	Frederickson, D.R.	Lessard	Pehler	Storm
Brataas	Freeman	Luther	Peterson, R.W.	Stumpf
Chmielewski	Gustafson	Marty	Piepho	Vickerman
Cohen	Hughes	McGowan	Piper	Waldorf
Davis	Johnson, D.E.	McQuaid	Pogemiller	
Decker	Johnson, D.J.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 2224: A bill for an act relating to health; granting an exception to the nursing home moratorium; amending Minnesota Statutes 1989 Supplement, section 144A.071, subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 2216: A bill for an act relating to occupations and professions; specifying requirements for membership of the board of medical examiners; containing procedural requirements for disciplinary actions; applying reporting requirements to other entities that provide professional liability coverage to physicians; amending Minnesota Statutes 1988, sections 147.01, subdivisions 1, 3, and 4; 147.09; 147.111, subdivision 5; repealing Minnesota Statutes 1988, sections 147.171; 147.24; 147.25; 147.26; 147.27; 147.28; 147.29; 147.30; 147.31; 147.32; 147.33; and Laws 1988, chapter 557, section 6.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 2302: A bill for an act relating to telephone services; requiring local location identification data bases for 911 systems; classifying data provided for data bases; amending Minnesota Statutes 1988, sections 403.02, by adding a subdivision; and 403.07, by adding subdivisions; Minnesota Statutes 1989 Supplement, section 403.11, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 2229: A bill for an act relating to elections; clarifying language and changing procedures for voter registration, absentee voters, and polling place rosters; defining certain terms; changing certain time limits; providing for certain services to disabled persons at state political party conventions; providing for persons who are permanently ill or disabled to automatically receive absentee ballot applications before each election; modifying election procedures for town supervisors; requiring a report; amending Minnesota Statutes 1988, sections 200.02, by adding a subdivision; 201.022; 201.023; 201.054, subdivision 1; 201.061, subdivision 1; 201.071, subdivisions 3 and 4; 201.081; 201.091; 201.12, subdivision 2; 201.121, subdivisions 1 and 2; 201.171; 201.211; 201.221; 201.27, subdivision 1; 203B.04, by adding a subdivision; 203B.09; 203B.12, subdivisions 2 and 3; 204B.28, subdivision 2; 204B.45, subdivision 2; 204C.10; 204C.12, subdivision 4; 204C.27; 367.03, subdivision 1; 367.33, subdivision 4; Minnesota Statutes 1989 Supplement, sections 202A.13; 203B.13, subdivision 3a; proposing coding for new law in Minnesota Statutes, chapter 201; and repealing Minnesota Statutes 1988, sections 201.061, subdivision

2; 201.071, subdivisions 5 and 6; and 201.091, subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Metzen	Reichgott
Anderson	Decker	Knaak	Moe, D.M.	Renneke
Beckman	DeCramer	Kroening	Moe, R.D.	Samuelson
Belanger	Dicklich	Laidig	Morse	Schmitz
Benson	Diessner	Langseth	Novak	Solon
Berg	Flynn	Lantry	Olson	Spear
Berglin	Frank	Larson	Pariseau	Storm
Bernhagen	Frederick	Lessard	Pehler	Stumpf
Bertram	Frederickson, D.J.	Luther	Peterson, R.W.	Vickerman
Brandl	Frederickson, D.R.	Marty	Piepho	Waldorf
Brataas	Freeman	McGowan	Piper	
Chmielewski	Gustafson	McQuaid	Pogemiller	
Cohen	Hughes	Mehrkens	Purfeerst	
Dahl	Johnson, D.E.	Merriam	Ramstad	

So the bill passed and its title was agreed to.

S.F. No. 1150: A bill for an act relating to creditors remedies; regulating executions and garnishments; amending Minnesota Statutes 1988, section 550.142; proposing coding for new law in Minnesota Statutes, chapters 550 and 557; proposing coding for new law as Minnesota Statutes, chapter 551; repealing Minnesota Statutes 1988, sections 550.041; 550.05; 550.14; 550.141; 571.41; 571.42; 571.43; 571.44; 571.45; 571.46; 571.471; 571.495; 571.50; 571.51; 571.52; 571.53; 571.54; 571.55; 571.56; 571.57; 571.58; 571.59; 571.60; 571.61; 571.62; 571.63; 571.64; 571.65; 571.66; 571.67; 571.68; and 571.69.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 1968: A bill for an act relating to pet or companion animals; permitting restrictions to be imposed on persons convicted of mistreating animals; amending Minnesota Statutes 1988, section 343.21, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrrens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 2354: A bill for an act relating to education; allowing pupils of at least age 16 a greater range of programs to attend under the high school graduation incentives and private alternative school programs; amending Minnesota Statutes 1989 Supplement, section 126.22, subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 49 and nays 18, as follows:

Those who voted in the affirmative were:

Anderson	Davis	Johnson, D.E.	McGowan	Pogemiller
Belanger	Decker	Johnson, D.J.	McQuaid	Purfeerst
Benson	DeCramer	Knaak	Mehrrens	Ramstad
Berglin	Dicklich	Kroening	Metzen	Renneke
Bernhagen	Frank	Laidig	Moe, D.M.	Samuelson
Bertram	Frederickson, D.J.	Langseth	Moe, R.D.	Schmitz
Brandl	Frederickson, D.R.	Lantry	Olson	Solon
Brataas	Freeman	Larson	Pariseau	Stumpf
Chmielewski	Gustafson	Lessard	Pehler	Waldorf
Cohen	Hughes	Luther	Piepho	

Those who voted in the negative were:

Adkins	Diessner	Marty	Peterson, R.W.	Storm
Beckman	Flynn	Merriam	Piper	Vickerman
Berg	Frederick	Morse	Reichgott	
Dahl	Knutson	Novak	Spear	

So the bill passed and its title was agreed to.

S.F. No. 2159: A bill for an act relating to education; delaying the date by which the regent candidate advisory council must submit recommendations to the legislature; amending Minnesota Statutes 1988, section 137.0245, subdivision 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R. D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Spear
Berglin	Frank	Lantry	Olson	Storm
Bernhagen	Frederick	Larson	Pariseau	Stumpf
Bertram	Frederickson, D.J.	Lessard	Pehler	Vickerman
Brandl	Frederickson, D.R.	Luther	Peterson, R. W.	Waldorf
Brataas	Freeman	Marty	Piepho	
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 1822: A bill for an act relating to housing; providing for the administration of section 8 existing housing and low-rent public housing programs; clarifying and limiting local approval requirements; removing the exemption for special assessments for housing and redevelopment authorities; providing for the transfer of housing and housing development projects to an economic development authority; authorizing the metropolitan council to plan and administer a section 8 program in the metropolitan area without approval of local units of government; amending Minnesota Statutes 1988, sections 469.002, subdivision 10, and by adding a subdivision; 469.004, subdivision 5; 469.005, subdivision 1; 469.012, subdivision 3; 469.016; 469.040, subdivisions 1 and 3; 469.094, subdivisions 1 and 2; and 473.195, subdivision 1; and Minnesota Statutes 1989 Supplement, section 469.012, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	McQuaid	Pogemiller
Anderson	Davis	Johnson, D.J.	Mehrkens	Purfeerst
Beckman	Decker	Knaak	Merriam	Ramstad
Belanger	Dicklich	Knutson	Metzen	Reichgott
Benson	Diessner	Kroening	Moe, R. D.	Renneke
Berg	Flynn	Laidig	Morse	Samuelson
Berglin	Frank	Langseth	Novak	Schmitz
Bernhagen	Frederick	Lantry	Olson	Solon
Bertram	Frederickson, D.J.	Larson	Pariseau	Spear
Brandl	Frederickson, D.R.	Lessard	Pehler	Storm
Brataas	Freeman	Luther	Peterson, R. W.	Stumpf
Chmielewski	Gustafson	Marty	Piepho	Vickerman
Cohen	Hughes	McGowan	Piper	Waldorf

So the bill passed and its title was agreed to.

S.F. No. 2115: A bill for an act relating to peace officers; authorizing licensed peace officers to operate motor vehicles and watercraft without lights under certain circumstances; providing exemption from tort liability; amending Minnesota Statutes 1988, sections 169.48; and 361.15; proposing coding for new law in Minnesota Statutes, chapter 169.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McGowan	Pogemiller
Anderson	Davis	Johnson, D.E.	McQuaid	Purfeerst
Beckman	Decker	Johnson, D.J.	Mehrkens	Ramstad
Belanger	DeCramer	Knaak	Metzen	Reichgott
Benson	Dicklich	Knutson	Moe, R. D.	Renneke
Berg	Diessner	Kroening	Morse	Samuelson
Berglin	Flynn	Laidig	Novak	Schmitz
Bernhagen	Frank	Langseth	Olson	Solon
Bertram	Frederick	Lantry	Pariseau	Spear
Brandl	Frederickson, D.J.	Larson	Pehler	Storm
Brataas	Frederickson, D.R.	Lessard	Peterson, R. W.	Stumpf
Chmielewski	Freeman	Luther	Piepho	Vickerman
Cohen	Gustafson	Marty	Piper	Waldorf

So the bill passed and its title was agreed to.

CONSENT CALENDAR

H.F. No. 2650: A bill for an act relating to cemeteries; allowing transfer of certain cemetery property to a religious corporation; amending Minnesota Statutes 1988, section 306.02, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McGowan	Pogemiller
Anderson	Davis	Johnson, D.E.	McQuaid	Purfeerst
Beckman	Decker	Johnson, D.J.	Mehrkens	Ramstad
Belanger	DeCramer	Knaak	Merriam	Reichgott
Benson	Dicklich	Knutson	Metzen	Renneke
Berg	Diessner	Kroening	Moe, R. D.	Samuelson
Berglin	Flynn	Laidig	Morse	Schmitz
Bernhagen	Frank	Langseth	Novak	Solon
Bertram	Frederick	Lantry	Olson	Spear
Brandl	Frederickson, D.J.	Larson	Pehler	Storm
Brataas	Frederickson, D.R.	Lessard	Peterson, R. W.	Stumpf
Chmielewski	Freeman	Luther	Piepho	Vickerman
Cohen	Gustafson	Marty	Piper	Waldorf

So the bill passed and its title was agreed to.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Freeman in the chair.

After some time spent therein, the committee arose, and Mr. Hughes reported that the committee had considered the following:

S.F. Nos. 2299, 2370, 1831, 1838, 2207, 1958, 1821, 1952, 2439, 2432, 1848, 1400, 2061, 1940, 2156, 1999, 2136, 1942 and H.F. No. 2407, which the committee recommends to pass.

S.F. No. 2051, which the committee recommends to pass with the following amendment offered by Mrs. Lantry:

Page 2, after line 4, insert:

“Sec. 2. Minnesota Statutes 1988, section 144A.04, is amended by adding a subdivision to read:”

Page 4, line 3, delete "2" and insert "3"

Page 4, line 4, delete "Section 1 is" and insert "Sections 1 and 2 are"

Page 4, line 5, delete "1" and insert "2"

Amend the title as follows:

Page 1, line 5, after "4" insert "; and by adding a subdivision"

The motion prevailed. So the amendment was adopted.

S.F. No. 1827, which the committee recommends to pass with the following amendment offered by Mr. Frederickson, D.J.:

Page 1, after line 30, insert:

"Section 1. Minnesota Statutes 1988, section 38.013, is amended to read:

38.013 [TORT LIABILITY.]

Subdivision 1. [GENERAL.] Except as provided in subdivision 2, the provisions of chapter 466, regarding tort liability, apply to county agricultural societies organized under this chapter.

Subd. 2. [UNPAID BOARD MEMBERS; LIABILITY.] A person who serves without compensation as a member of the board of a county agricultural society created or organized under this chapter is not civilly liable for an act or omission by that person if the act or omission was in good faith, was within the scope of the person's responsibilities as a member of the board, and did not constitute willful or reckless misconduct.

This subdivision does not apply to:

(1) an action or proceeding brought by the attorney general for a breach of a fiduciary duty by a board member;

(2) a cause of action to the extent it is based on federal law; or

(3) a cause of action based on a board member's express contractual obligation.

This subdivision does not limit the liability of a member of the board for physical injury to the person of another or for wrongful death that is personally and directly caused by the board member.

For purposes of this subdivision the term "compensation" means any thing of value received for services rendered, except:

(1) reimbursement for expenses actually incurred;

(2) a per diem in an amount not to exceed the per diem authorized for state advisory councils and committees under section 15.059, subdivision 3; or

(3) payment by the county agricultural society of insurance premiums on behalf of a member of the board."

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "providing for immunity from liability for unpaid members of county agricultural society boards;"

Page 1, line 23, after "sections" insert "38.013;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 38 and nays 23, as follows:

Those who voted in the affirmative were:

Adkins	Brandl	Frederickson, D.R.	Lessard	Samuelson
Anderson	Chmielewski	Gustafson	Mehrkens	Schmitz
Beckman	Davis	Hughes	Metzen	Solon
Belanger	Decker	Johnson, D.E.	Morse	Storm
Benson	DeCramer	Kroening	Piepho	Stumpf
Berg	Dicklich	Laidig	Purfeerst	Vickerman
Bernhagen	Frederick	Lantry	Reichgott	
Bertram	Frederickson, D.J.	Larson	Renneke	

Those who voted in the negative were:

Berglin	Frank	Marty	Olson	Ramstad
Brataas	Freeman	McGowan	Pariseau	Spear
Dahl	Knaak	McQuaid	Pehler	Waldorf
Djessner	Knutson	Merriam	Peterson, R. W.	
Flynn	Luther	Novak	Pogemiller	

The motion prevailed. So the amendment was adopted.

S.F. No. 2213, which the committee recommends to pass subject to the following motions offered by Messrs. Langseth, Knaak and Berg:

Mr. Langseth moved to amend S.F. No. 2213 as follows:

Page 2, line 35, after the period, insert "*Violation of this subdivision by a vehicle that is carrying farm produce and that is not exempted by the preceding sentence is a petty misdemeanor.*"

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Knaak moved to amend S.F. No. 2213 as follows:

Page 3, line 2, after "(a)" insert "*Except as otherwise provided under section 4,*"

Page 3, after line 26, insert:

"Sec. 4. Minnesota Statutes 1988, section 169.81, is amended by adding a subdivision to read:

Subd. 5c. [SECURING OF LOADS; INTERSTATE HIGHWAYS IN METRO AREA.] The driver of a vehicle transporting sand, gravel, aggregate, dirt, lime rock, silica, or similar material on a federal interstate highway in the metropolitan area, as defined in section 473.121, subdivision 2, shall ensure that the cargo compartment of the vehicle is securely covered.

Sec. 5. [EFFECTIVE DATE.]

Section 4 is effective January 1, 1992."

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Flynn	Knutson	Merriam	Spear
Belanger	Frank	Kroening	Olson	Storm
Berglin	Freeman	Luther	Pehler	Waldorf
Brandl	Hughes	McGowan	Peterson, R. W.	
Decker	Knaak	McQuaid	Ramstad	

Those who voted in the negative were:

Adkins	Dahl	Frederickson, D.R.	Mehrrens	Renneke
Beckman	Davis	Johnson, D.E.	Morse	Samuelson
Benson	DeCramer	Laidig	Pariseau	Schmitz
Berg	Dicklich	Langseth	Piepho	Solon
Bernhagen	Diessner	Lantry	Piper	Stumpf
Bertram	Frederick	Larson	Purfeerst	Vickerman
Chmielewski	Frederickson, D.J.	Lessard	Reichgott	

The motion did not prevail. So the amendment was not adopted.

Mr. Berg moved to amend S.F. No. 2213 as follows:

Page 2, line 32, reinstate the stricken language and delete the new language

Page 2, lines 33 to 35, delete the new language

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 22 and nays 30, as follows:

Those who voted in the affirmative were:

Adkins	Bernhagen	Frederickson, D.J.	Pariseau	Stumpf
Anderson	Bertram	Frederickson, D.R.	Piepho	Vickerman
Beckman	Chmielewski	Johnson, D.E.	Renneke	
Benson	Decker	Langseth	Samuelson	
Berg	Frederick	Larson	Storm	

Those who voted in the negative were:

Belanger	Diessner	Knutson	McGowan	Pogemiller
Berglin	Flynn	Kroening	McQuaid	Ramstad
Brandl	Frank	Lantry	Merriam	Schmitz
Davis	Freeman	Lessard	Morse	Solon
DeCramer	Hughes	Luther	Olson	Spear
Dicklich	Knaak	Marty	Pehler	Waldorf

The motion did not prevail. So the amendment was not adopted.

On motion of Mr. Luther, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Peterson, R. W. introduced —

S.F. No. 2600: A bill for an act relating to education; authorizing school districts to allow school buildings to be used for post-secondary instruction; authorizing aid for transportation for certain post-secondary programs; appropriating money; amending Minnesota Statutes 1988, sections 120.73, subdivision 1; 123.36, subdivision 5; and 123.39, subdivision 1; Minnesota Statutes 1989 Supplement, sections 123.33, subdivision 7; 124.223; and 124.225, subdivision 1.

Referred to the Committee on Education.

Mr. Stumpf introduced—

S.F. No. 2601: A bill for an act relating to education; clarifying the use and distribution of appropriations for curriculum and technology integration; amending Laws 1989, chapter 329, article 11, section 15, subdivision 10.

Referred to the Committee on Education.

Mr. Peterson, R.W. introduced—

S.F. No. 2602: A bill for an act relating to education; requiring the state fire marshal to inspect a public school building every three years; increasing complement; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 299F

Referred to the Committee on Education.

Mr. Cohen introduced—

S.F. No. 2603: A bill for an act relating to taxation; providing an exemption from the withholding tax requirement on royalties upon ore; amending Minnesota Statutes 1988, section 290.923, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

MEMBERS EXCUSED

Mr. Knaak was excused from the Session of today from 12:00 to 12:30 p.m. Mr. Metzen was excused from the Session of today from 4:25 to 5:00 p.m.

ADJOURNMENT

Mr. Luther moved that the Senate do now adjourn until 12:00 noon, Wednesday, March 21, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTY-FOURTH DAY

St. Paul, Minnesota, Wednesday, March 21, 1990

The Senate met at 12:00 noon and was called to order by the President.

CALL OF THE SENATE

Mr. Belanger imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Gary Lueck.

The roll was called, and the following Senators answered to their names:

Adkins	Davis	Johnson, D.J.	Metzen	Reichgott
Anderson	Decker	Knaak	Moe, D.M.	Renneke
Beckman	DeCramer	Knutson	Moe, R.D.	Samuelson
Belanger	Dicklich	Kroening	Morse	Schmitz
Benson	Diessner	Laidig	Novak	Solon
Berg	Flynn	Lantry	Olson	Spear
Berglin	Frank	Larson	Pariseau	Storm
Bernhagen	Frederick	Lessard	Pehler	Stumpf
Bertram	Frederickson, D.J.	Luther	Peterson, R. W.	Vickerman
Brandl	Frederickson, D.R.	Marty	Piepho	Waldorf
Brataas	Freeman	McGowan	Piper	
Chmielewski	Gustafson	McQuaid	Pogemiller	
Cohen	Hughes	Mehrkens	Purfeerst	
Dahl	Johnson, D.E.	Merriam	Ramstad	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committees indicated.

March 13, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointment to the State Board for Community Colleges is hereby respectfully submitted to the Senate for confirmation as required by law:

John Borchert, 23239 St. Croix Trl. N., Scandia, Washington County, has been appointed by me, effective March 14, 1990, for a term expiring the first Monday in January, 1992.

(Referred to the Committee on Education.)

March 13, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointments to the State Board of Vocational Technical Education are hereby respectfully submitted to the Senate for confirmation as required by law:

Douglas Knowlton, 823 James Ave. S.E., East Grand Forks, Polk County, has been appointed by me, effective March 14, 1990, for a term expiring the first Monday in January, 1994.

John O'Connor, 10677 - 114th St., Stillwater, Washington County, has been appointed by me, effective March 14, 1990, for a term expiring the first Monday in January, 1994.

Gerald Mullen, 6259 Gopher Blvd., Oakdale, Washington County, has been appointed by me, effective March 14, 1990, for a term expiring the first Monday in January, 1992.

(Referred to the Committee on Education.)

March 14, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointment to the Metropolitan Council is hereby respectfully submitted to the Senate for confirmation as required by law:

Alfred Babington-Johnson, 2923 Fremont Ave. N., Minneapolis, Hennepin County, has been appointed by me, effective March 17, 1990, for a term expiring the first Monday in January, 1991.

(Referred to the Committee on Local and Urban Government.)

March 14, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

The following appointments to the State University Board are hereby respectfully submitted to the Senate for confirmation as required by law:

Elizabeth Pegues, 27 Nord Circle Rd., North Oaks, Ramsey County, has been appointed by me, effective March 18, 1990, for a term expiring the first Monday in January, 1994.

Paula Dykstra, 1776 Poppy Rd., St. Cloud, Stearns County, has been appointed by me, effective March 18, 1990, for a term expiring the first Monday in January, 1994.

(Referred to the Committee on Education.)

Sincerely,
Rudy Perpich, Governor

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 2468 and reports pertaining to appointments. The motion prevailed.

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 1769: A bill for an act relating to employment; raising the minimum wage; amending Minnesota Statutes 1988, section 177.24, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 177.23, subdivision 7, is amended to read:

Subd. 7. "Employee" means any individual employed by an employer but does not include:

(1) two or fewer specified individuals employed at any given time in agriculture on a farming unit or operation who are paid a salary;

(2) any individual employed in agriculture on a farming unit or operation who is paid a salary greater than the individual would be paid if the individual worked 48 hours at the state minimum wage plus 17 hours at 1-1/2 times the state minimum wage per week;

(3) an individual under 18 who is employed in agriculture on a farm to perform services other than corn detasseling or hand field work when one or both of that minor hand field worker's parents or physical custodians are also hand field workers;

(4) for purposes of section 177.24, an individual under 18 who is employed as a corn detasseler;

(5) any staff member employed on a seasonal basis by a nonprofit organization for work in an organized children's resident or day camp operating under a permit issued under section 144.72;

(6) any individual employed in a bona fide executive, administrative, or professional capacity, or a salesperson who conducts no more than 20 percent of sales on the premises of the employer;

(7) any individual who renders service gratuitously for a nonprofit organization;

(8) any individual who serves as an elected official for a political subdivision or who serves on any governmental board, commission, committee

or other similar body, or who renders service gratuitously for a political subdivision;

(9) any individual employed by a political subdivision to provide police or fire protection services or employed by an entity whose principal purpose is to provide police or fire protection services to a political subdivision;

(10) any individual employed by a political subdivision who is ineligible for membership in the public employees retirement association under section 353.01, subdivision 2b, clause (a), (b), (d), or (i);

(11) any driver employed by an employer engaged in the business of operating taxicabs;

(12) any individual engaged in babysitting as a sole practitioner;

(13) for the purpose of section 177.25, any individual employed on a seasonal basis in a carnival, circus, fair, or ski facility;

(14) any individual under 18 working less than 20 hours per workweek for a municipality as part of a recreational program;

(15) any individual employed by the state as a natural resource manager 1, 2, or 3 (conservation officer);

(16) any individual in a position for which the United States Department of Transportation has power to establish qualifications and maximum hours of service under United States Code, title 49, section 304;

(17) any individual employed as a seafarer. The term "seafarer" means a master of a vessel or any person subject to the authority, direction, and control of the master who is exempt from federal overtime standards under United States Code, title 29, section 213(b)(6), including but not limited to pilots, sailors, engineers, radio operators, firefighters, security guards, pursers, surgeons, cooks, and stewards;

(18) any individual employed by a county in a single family residence owned by a county home school as authorized under section 260.094 if the residence is an extension facility of that county home school, and if the individual as part of the employment duties resides at the residence for the purpose of supervising children as defined by section 260.015, subdivision 2; or

(19) nuns, monks, priests, lay brothers, lay sisters, ministers, deacons, and other members of religious orders who serve pursuant to their religious obligations in schools, hospitals, and other nonprofit institutions operated by the church or religious order.

Sec. 2. Minnesota Statutes 1988, section 177.24, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] (a) For purposes of this subdivision, the terms defined in this paragraph have the meanings given them. "Federal covered employers" means those employers covered by the Federal Fair Labor Standards Act of 1938, as amended, (United States Code, title 29, chapter 201 et seq.). "State covered employers" means those employers not covered by the Federal Fair Labor Standards Act of 1938, as amended, and covered by the Minnesota Fair Labor Standards Act, sections 177.21 to 177.35.

(b) Except as otherwise provided in sections 177.21 to 177.35, every federal covered employer must pay each employee who is 18 years of age

or older wages at a rate of at least \$3.55 an hour beginning January 1, 1988, \$3.85 an hour beginning January 1, 1989, and \$3.95 an hour beginning January 1, 1990. Every state covered employer must pay each employee who is 18 years of age or older \$3.50 an hour beginning January 1, 1988, \$3.65 an hour beginning January 1, 1989, and \$3.80 an hour beginning January 1, 1990. Every federal covered employer must pay each employee under 18 wages at a rate of at least \$3.20 an hour beginning January 1, 1988, \$3.47 an hour beginning January 1, 1989, \$3.56 an hour beginning January 1, 1990. Every state covered employer must pay each employee under 18 wages at a rate of at least \$3.15 an hour beginning January 1, 1988, \$3.29 an hour beginning January 1, 1989, and \$3.42 an hour beginning January 1, 1990.

~~(e) Notwithstanding paragraph (b), the minimum hourly wage for federal or state covered employees who receive \$35 or more in gratuities per month shall be \$3.35 an hour for those employees who are 18 years of age or older and \$3.02 an hour for those employees who are under 18 years of age. This paragraph applies only until January 1, 1989.~~

(c) Notwithstanding paragraph (b) to the contrary, an employee who is receiving as of January 1, 1990, the minimum wage at a rate greater than that provided for the employee under paragraph (b), shall continue to receive the minimum wage rate required as of January 1, 1990.

Sec. 3. Minnesota Statutes 1988, section 177.24, is amended by adding a subdivision to read:

Subd. 1a. [AMOUNT.] Beginning April 1, 1991, except as otherwise provided in sections 177.21 to 177.35, every employer shall pay each employee wages at a rate of at least \$3.95 an hour.

Sec. 4. Minnesota Statutes 1988, section 177.25, subdivision 1, is amended to read:

Subdivision 1. [COMPENSATION REQUIRED.] *(a) No employer may employ an employee for a workweek longer than 48 hours, unless the employee receives compensation for employment in excess of 48 hours in a workweek at a rate of at least 1-1/2 times the regular rate at which the employee is employed. The state of Minnesota or a political subdivision may grant time off at the rate of 1-1/2 hours for each hour worked in excess of 48 hours in a week in lieu of monetary compensation. An employer does not violate the overtime pay provisions of this section by employing any employees for a workweek in excess of 48 hours without paying the compensation for overtime employment prescribed (1) if the employee is employed under an agreement meeting the requirement of section 7(b)(2) of the Fair Labor Standards Act of 1938, as amended, or (2) if the employee is employed as a sugar beet hand laborer on a piece rate basis, provided that the regular rate of pay received per hour of work exceeds the applicable wage provided in section 177.24, subdivision 1 by at least 40 cents.*

(b) An employer must pay compensation to an employee at a rate of at least 1-1/2 times the regular rate for any time worked over 48 hours in a period of seven consecutive days. This clause does not apply if the employee and employer have a voluntary agreement providing otherwise.

Sec. 5. Minnesota Statutes 1988, section 181A.04, is amended by adding a subdivision to read:

Subd. 6. A high school student under the age of 18 must not be permitted

to work after 11:30 p.m. on an evening before a school day.

For the purpose of this subdivision, a high school student does not include a student enrolled in an alternative education program approved by the state board of education under Minnesota Rules, part 3500.3500, or an area learning center, including area learning centers under sections 129B.52 to 129B.55 or according to section 121.11, subdivision 12.

Sec. 6. Minnesota Statutes 1988, section 181A.12, subdivision 1, is amended to read:

Subdivision 1. [FINES; PENALTY.] Any employer who hinders or delays the department or its authorized representative in the performance of its duties under sections 181A.01 to 181A.12 or refuses to admit the commissioner or an authorized representative to any place of employment or refuses to make certificates or lists available as required by sections 181A.01 to 181A.12, or otherwise violates any provisions of sections 181A.01 to 181A.12 or any rules issued pursuant thereto shall be assessed a fine to be paid to the commissioner for deposit in the general fund. The fine 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. Fines are in the amounts as follows:

- | | |
|---|-------|
| (a) employment of minors under the age of 14
(each employee) | \$ 50 |
| (b) employment of minors under the age of 16
during school hours while school is in session
(each employee) | 50 |
| (c) employment of minors under the age of 16
before 7:00 a.m. (each employee) | 50 |
| (d) employment of minors under the age of 16
after 9:00 p.m. (each employee) | 50 |
| (e) <i>employment of a high school student, except a
student enrolled in an alternative education
program approved by the state board of education
under Minnesota Rules, part 3500.3500, or an area
learning center, including area learning centers
under sections 129B.52 to 129B.55 or
according to section 121.11, subdivision 12,
under the age of 18 after 11:30 p.m. in the
evening before a school day (each employee)</i> | 50 |
| (f) employment of minors under the age of 16
over eight hours a day (each employee) | 50 |
| (f) (g) employment of minors under the age of 16
over 40 hours a week (each employee) | 50 |
| (g) (h) employment of minors under the age of 18
in occupations hazardous or detrimental to their
well-being as defined by rule (each employee) | 100 |
| (h) (i) employment of minors under the age of 16
in occupations hazardous or detrimental to their
well-being as defined by rule (each employee) | 100 |

- (+) (j) minors under the age of 18 injured in hazardous employment (each employee) 500
- (+) (k) minors employed without proof of age (each employee) 5

An employer who refuses to make certificates or lists available as required by sections 181A.01 to 181A.12 shall be assessed a \$500 fine.

An employer who engages in repeated violations of sections 181A.01 to 181A.12 is also guilty of a gross misdemeanor.

Sec. 7. [REPEALER.]

Minnesota Statutes 1988, section 177.24, subdivision 1, is repealed.

Sec. 8. [EFFECTIVE DATE.]

Section 2 is effective March 31, 1990. Sections 1 and 4 to 6 are effective August 1, 1990. Sections 3 and 7 are effective April 1, 1991."

Delete the title and insert:

"A bill for an act relating to employment; regulating minimum wages and compensation for overtime work; regulating permitted work hours of high school students; amending Minnesota Statutes 1988, sections 177.23, subdivision 7; 177.24, subdivision 1, and by adding a subdivision; 177.25, subdivision 1; 181A.04, by adding a subdivision; 181A.12, subdivision 1; repealing Minnesota Statutes 1988, section 177.24, subdivision 1."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2566: A bill for an act relating to insurance; long-term care; modifying the definition of medically prescribed long-term care; allowing additional licensed health care providers to prepare plans of care; regulating assessments; regulating cancellations; amending Minnesota Statutes 1988, sections 62A.46, subdivisions 2, 4, 5, and 8; 62A.48, subdivision 3, and by adding a subdivision; and 62A.56; Minnesota Statutes 1989 Supplement, section 62A.48, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 62A.46, subdivision 2, is amended to read:

Subd. 2. [LONG-TERM CARE POLICY.] "Long-term care policy" means an individual or group policy, certificate, subscriber contract, or other evidence of coverage that provides benefits for ~~medically~~ prescribed long-term care, including nursing facility services and home care services, pursuant to the requirements of sections 62A.46 to 62A.56. A long-term care policy must contain a designation specifying whether the policy is a long-term care policy AA or A and a caption stating that the commissioner has established two categories of long-term care insurance and the minimum standards for each.

Sections 62A.46, 62A.48, and 62A.52 to 62A.56 do not apply to a long-term care policy issued to (a) an employer or employers or to the trustee of a fund established by an employer where only employees or retirees, and dependents of employees or retirees, are eligible for coverage or (b) to a labor union or similar employee organization. The associations exempted from the requirements of sections 62A.31 to 62A.44 under 62A.31, subdivision 1, clause (c) shall not be subject to the provisions of sections 62A.46 to 62A.56 until July 1, 1988.

Sec. 2. Minnesota Statutes 1988, section 62A.46, subdivision 4, is amended to read:

Subd. 4. [HOME CARE SERVICES.] "Home care services" means one or more of the following ~~medically~~ prescribed services for the long-term care and treatment of an insured that are provided by a home health agency in a noninstitutional setting according to a written diagnosis *or assessment* and plan of care:

(1) nursing and related personal care services under the direction of a registered nurse, including the services of a home health aide;

(2) physical therapy;

(3) speech therapy;

(4) respiratory therapy;

(5) occupational therapy;

(6) nutritional services provided by a licensed dietitian;

(7) homemaker services, meal preparation, and similar nonmedical services;

(8) medical social services; and

(9) other similar medical services and health-related support services.

Sec. 3. Minnesota Statutes 1988, section 62A.46, subdivision 5, is amended to read:

Subd. 5. [~~MEDICALLY~~ PRESCRIBED LONG-TERM CARE.] "~~Medi-~~~~ically~~ Prescribed long-term care" means a service, type of care, or procedure that *could not be omitted without adversely affecting the patient's illness or condition* and is specified in a plan of care prepared by *either: (1) a physician and a registered nurse and is appropriate and consistent with the physician's diagnosis and that could not be omitted without adversely affecting the patient's illness or condition; or (2) a registered nurse or licensed social worker based on an assessment of the insured's ability to perform the activities of daily living and to perform basic cognitive functions appropriately.*

Sec. 4. Minnesota Statutes 1988, section 62A.46, subdivision 8, is amended to read:

Subd. 8. [PLAN OF CARE.] "Plan of care" means a written document prepared and signed by *either: (1) a physician and registered nurse that specifies medically prescribed long-term care services or treatment that are consistent with the diagnosis and are; or (2) by a registered nurse or licensed social worker that specifies prescribed long-term care services or treatment that are consistent with an assessment of the insured's ability to perform the activities of daily living and to perform basic cognitive functions appropriately. The plan of care must be prepared in accordance*

with accepted **medical and nursing** standards of practice and *must contain services or treatment* that could not be omitted without adversely affecting the patient's illness or condition.

Sec. 5. Minnesota Statutes 1989 Supplement, section 62A.48, subdivision 1, is amended to read:

Subdivision 1. [POLICY REQUIREMENTS.] No individual or group policy, certificate, subscriber contract, or other evidence of coverage of nursing home care or other long-term care services shall be offered, issued, delivered, or renewed in this state, whether or not the policy is issued in this state, unless the policy is offered, issued, delivered, or renewed by a qualified insurer and the policy satisfies the requirements of sections 62A.46 to 62A.56. A long-term care policy must cover **medically** prescribed long-term care in nursing facilities and at least the **medically** prescribed long-term home care services in section 62A.46, subdivision 4, clauses (1) to (5), provided by a home health agency. Coverage under a long-term care policy AA must include: a maximum lifetime benefit limit of at least \$100,000 for services, and nursing facility and home care coverages must not be subject to separate lifetime maximums. Coverage under a long-term care policy A must include: a maximum lifetime benefit limit of at least \$50,000 for services, and nursing facility and home care coverages must not be subject to separate lifetime maximums. Prior hospitalization may not be required under a long-term care policy.

Coverage under either policy designation 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. Coverage under either policy designation may include a waiting period of up to 90 days before benefits are paid, but there must be no more than one waiting period per benefit period. No policy may exclude coverage for mental or nervous disorders which have a demonstrable organic cause, such as Alzheimer's and related dementias. No policy may require the insured to be homebound or house confined to receive home care services. The policy must include a provision that the plan will not be canceled or renewal refused except on the grounds of nonpayment of the premium, provided that the insurer may change the premium rate on a class basis on any policy anniversary date. A provision that the policyholder may elect to have the premium paid in full at age 65 by payment of a higher premium up to age 65 may be offered. A provision that the premium would be waived during any period in which benefits are being paid to the insured during confinement in a nursing facility must be included. A nongroup policyholder may return a policy within 30 days of its delivery and have the premium refunded in full, less any benefits paid under the policy, if the policyholder is not satisfied for any reason.

No long-term care policy shall be offered or delivered in this state until the insurer has received from the insured a written designation of one or two additional persons who are to receive notice of cancellation of the policy for nonpayment of premium. The designation shall include the persons' full names, home addresses, and telephone numbers.

The insurer may file a policy form that utilizes a plan of care prepared as provided under section 62A.46, subdivision 5, clause (1) or clause (2).

Sec. 6. Minnesota Statutes 1988, section 62A.48, subdivision 3, is amended to read:

Subd. 3. [EXPENSE-INCURRED COVERAGE.] If benefits are provided on an expense-incurred basis, a benefit of not less than 80 percent of covered charges for medically prescribed long-term care must be provided.

Sec. 7. Minnesota Statutes 1988, section 62A.48, is amended by adding a subdivision to read:

Subd. 8. [CANCELLATION FOR NONPAYMENT OF PREMIUM.] No long-term care policy shall be canceled for nonpayment of premium unless the insurer, at least 30 days before the effective date of the cancellation, has given notice to the insured and to the person designated pursuant to section 62A.48, subdivision 1, at the address provided by the insured for purposes of receiving notice of cancellation.

Sec. 8. Minnesota Statutes 1988, section 62A.56, is amended to read:

62A.56 [RULEMAKING.]

Subdivision 1. [PERMISSIVE.] The commissioner may adopt rules pursuant to chapter 14 to carry out the purposes of sections 62A.46 to 62A.56. The rules may:

(1) establish additional disclosure requirements for long-term care policies designed to adequately inform the prospective insured of the need and extent of coverage offered;

(2) prescribe uniform policy forms in order to give the purchaser of long-term care policies a reasonable opportunity to compare the cost of insuring with various insurers; and

(3) establish other reasonable minimum standards as needed to further the purposes of sections 62A.46 to 62A.56.

Subd. 2. [MANDATORY.] The commissioner shall adopt rules under chapter 14 establishing general standards to ensure that assessments used in the prescribing of long-term care are reliable, valid, and clinically appropriate.

Sec. 9. [APPLICATION.]

Sections 1 to 8 apply to policies issued after the effective date of sections 1 to 8."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1473: A bill for an act relating to the environment; providing for mitigation of the greenhouse effect by imposing a surcharge on motor vehicles and on facilities permitted by the pollution control agency; establishing a carbon dioxide tree planting account; proposing coding for new law in Minnesota Statutes, chapter 116.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [CARBON DIOXIDE REPORT TO THE LEGISLATURE.]

By June 1, 1991, the commissioner of natural resources in consultation

with and assistance from the pollution control agency, representatives of industry that may be affected by a potential surcharge on carbon dioxide emissions, and representatives of the forestry and the environmental communities, shall prepare a report to the legislature on carbon dioxide emissions and incentives to reduce emissions. The report shall:

(1) identify sources of carbon dioxide emissions and estimates of emission levels by source;

(2) evaluate potential methods of offsetting or decreasing carbon dioxide emissions, through energy efficiency and conservation programs;

(3) evaluate the feasibility of a tree planting plan for carbon dioxide absorption that identifies the proper mix of tree species for optimum absorption, proper placement of trees for energy efficiency and conservation, the areas of the state most effective for proper tree planting, the adequate production of state nursery stock, the available procurement of private nursery stock, a range of costs to plant various tree species, and the current and prospective distribution system to allow species of trees to be planted; and

(4) if appropriate, suggest a fee structure on sources of carbon dioxide emissions, including but not limited to motor vehicle and permitted facilities in the air emission inventory of the pollution control agency. The fee structure shall relate to response levels by sources as recommended in the study and reflect offsets for activities which reduce carbon dioxide emissions.

Sec. 2. [FUNDING.]

Money received to complete the study must be deposited in the general fund and credited to a separate account. The study need only be done if the amount in the account is \$50,000 or more. The money in the account received for the purposes of this study are appropriated to the commissioner of natural resources."

Delete the title and insert:

"A bill for an act relating to the environment; requiring a report to the legislature on carbon dioxide emissions; appropriating money."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1706: A bill for an act relating to natural resources; amending certain provisions concerned with the management of wildlife; amending Minnesota Statutes 1988, sections 97A.135, by adding a subdivision; and 97A.445, by adding a subdivision; and Minnesota Statutes 1989 Supplement, section 97B.603.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1988, section 97A.115, is amended to read:

97A.115 [ESTABLISHMENT OF ~~PRIVATE~~ SHOOTING PRESERVES.]

Subdivision 1. [LICENSES; RULES.] A person ~~must be licensed to~~ *may not operate a private shooting preserve without a license.* The commissioner may issue a ~~license for a privately owned and operated~~ *licenses to operate commercial shooting preserve preserves and private shooting preserves* if the commissioner determines that it is in the public interest and that *there will not be an adverse effect on wild game bird populations.* *Private shooting preserves may only be located outside of the pheasant range as determined by the commissioner.* The commissioner may ~~make~~ *adopt* rules to implement this section and section 97A.121.

Subd. 2. [GAME AVAILABLE.] Game that may be released and hunted in a licensed shooting preserve must be specified in the license and is limited to *adult pheasant, quail, and chukar partridge for private shooting preserves and adult pheasant, quail, chukar partridge, turkey, mallard duck, black duck, and other species designated by the commissioner for commercial shooting preserves.* These game birds must be pen hatched and raised.

Subd. 3. [SIZE OF PRESERVE.] A ~~private~~ *private* shooting preserve must be *at least 40 but not more than 160 contiguous acres for private shooting preserves and at least 100 but not more than 1,000 contiguous acres, including any water area, for commercial shooting preserves.* ~~A preserve limited to duck hunting may be a minimum of 50 contiguous acres including water area.~~

Subd. 4. [POSTING OF BOUNDARIES.] The boundaries of a ~~private~~ *private* shooting preserve must be clearly posted in a manner prescribed by the commissioner.

Subd. 5. [REVOCATION OF LICENSE.] The commissioner may revoke a ~~private~~ *private* shooting preserve license if the licensee or persons authorized to hunt in the preserve have been convicted of a violation under this section or section 97A.121. After revocation, a new license may be issued in the discretion of the commissioner.

Sec. 2. Minnesota Statutes 1988, section 97A.121, is amended to read:
97A.121 [HUNTING IN PRIVATE SHOOTING PRESERVES.]

Subdivision 1. [HUNTER'S LICENSE.] (a) A person hunting *released birds* in a private shooting preserve must have the licenses required by law for the hunting of ~~game birds pheasants.~~ *A nonresident may obtain a special private shooting preserve license that is valid for the entire preserve season for the same fee as a resident small game hunting license.*

(b) *A license is not required to hunt authorized game birds on a commercial shooting preserve.*

Subd. 2. [SEASON.] (a) The open season for hunting in ~~private commercial~~ *private commercial* shooting preserves is ~~from July 15 through April 15~~ *continuous.* Sanctioned registered field trials in ~~private commercial~~ *private commercial* shooting preserves may be held from April 16 to July 14 after notification to the commissioner.

(b) *The open season for hunting in a private shooting preserve is September 15 until December 31.*

(c) The commissioner may restrict the open season after receiving a complaint, holding a public hearing, and finding that the population of wild game birds is in danger by hunting in the preserve.

Subd. 3. [OPERATOR MAY ESTABLISH RESTRICTIONS.] A ~~private~~ *private*

shooting preserve licensee may determine who is allowed to hunt in the preserve. In each preserve the licensee may establish the charge for taking game, the shooting hours, the season, limitations, and restrictions on the age, sex, and number of each species that may be taken by a hunter. These provisions may not conflict with this section or section 97A.115 and may not be less restrictive than any rule or order.

Subd. 4. [LIMITS AND MARKING OF GAME BIRDS.] *Except as provided in subdivision 4a, the commissioner shall prescribe the minimum number of each authorized species that may be released and the percentage of each species that may be taken. The commissioner shall prescribe methods for identifying birds to be released.*

Subd. 4a. [PHEASANTS.] (a) A private shooting preserve licensed to release pheasants ~~must may release at least 500 no more than 300 adult pheasants on the licensed shooting preserve area during the private shooting preserve hunting season. At least 20 pheasants must be released within 14 days before a day that pheasants are hunted.~~ The number of pheasants harvested may not exceed 95 percent of the number of pheasants released ~~during the private shooting preserve hunting season.~~

(b) *A commercial shooting preserve must release at least 1,000 adult pheasants.*

Subd. 5. [MARKING HARVESTED GAME.] Harvested game, except ducks that are marked in accordance with regulations of the United States Fish and Wildlife Service, must be ~~tagged with a self-sealing tag, identifying marked or identified by the private shooting preserve in a manner prescribed by the commissioner.~~ The commissioner ~~shall~~ may issue the tags or other markings at a cost of 15 cents each. The ~~tag~~ marking must remain attached on the bird while the bird is transported.

Subd. 6. [RECORD KEEPING.] A ~~private~~ shooting preserve licensee must maintain a registration book listing the names, addresses, and hunting license numbers, *if applicable*, of all hunters, the date when they hunted, the amount and species of game taken, and the tag numbers *or other markings* affixed to each bird. A ~~record shooting preserve must be kept keep records~~ of the number of each species raised and purchased and the date and number of each species released. The records must be open to inspection by the commissioner at all reasonable times."

Page 2, delete section 3 and insert:

"Sec. 5. Minnesota Statutes 1989 Supplement, section 97A.475, subdivision 18, is amended to read:

Subd. 18. [SHOOTING PRESERVES.] The fee for a shooting preserve license is ~~\$82.50:~~

- (1) *for a private shooting preserve, \$100; and*
- (2) *for a commercial shooting preserve, \$500."*

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 4, after "sections" insert "97A.115; 97A.121;"

Page 1, line 7, delete "97B.603" and insert "97A.475, subdivision 18"

And when so amended the bill do pass. Amendments adopted. Report

adopted.

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F. No. 2105: A bill for an act relating to public employee retirement plans; requiring the regular reporting of investment performance results calculated on a time-weighted total rate of return basis; proposing coding for new law in Minnesota Statutes, chapter 356.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Article 1

STATE PATROL RETIREMENT PLAN MEMBERSHIP

Section 1. Minnesota Statutes 1988, section 43A.34, subdivision 4, is amended to read:

Subd. 4. [STATE PATROL, CONSERVATION AND CRIME BUREAU OFFICERS EXEMPTED.] Notwithstanding any provision to the contrary, (a) conservation officers and crime bureau officers who were first employed on or after July 1, 1973, and who are members of the state patrol retirement fund by reason of their employment, and members of the Minnesota state patrol ~~division~~ and *gambling enforcement divisions* of the department of public safety who are members of the state patrol retirement association by reason of their employment, shall not continue employment after attaining the age of 60 years, except for a fractional portion of one year that will enable the employee to complete the employee's next full year of allowable service as defined pursuant to section 352B.01, subdivision 3; and (b) conservation officers and crime bureau officers who were first employed and are members of the state patrol retirement fund by reason of their employment before July 1, 1973, shall not continue employment after attaining the age of 70 years.

Sec. 2. Minnesota Statutes 1989 Supplement, section 352.01, subdivision 2b, is amended to read:

Subd. 2b. [EXCLUDED EMPLOYEES.] “State employee” does not include:

- (1) elective state officers;
- (2) students employed by the University of Minnesota, the state universities, and community colleges unless approved for coverage by the board of regents, the state university board, or the state board for community colleges, as the case may be;
- (3) employees who are eligible for membership in the state teachers retirement association except employees of the department of education who have chosen or may choose to be covered by the Minnesota state retirement system instead of the teachers retirement association;
- (4) employees of the University of Minnesota who are excluded from coverage by action of the board of regents;
- (5) officers and enlisted personnel in the national guard and the naval militia who are assigned to permanent peacetime duty and who under federal law are or are required to be members of a federal retirement system;

- (6) election officers;
- (7) persons engaged in public work for the state but employed by contractors when the performance of the contract is authorized by the legislature or other competent authority;
- (8) officers and employees of the senate and house of representatives or a legislative committee or commission who are temporarily employed;
- (9) receivers, jurors, notaries public, and court employees who are not in the judicial branch as defined in section 43A.02, subdivision 25, except referees and adjusters employed by the department of labor and industry;
- (10) patient and inmate help in state charitable, penal, and correctional institutions including the Minnesota veterans home;
- (11) persons employed for professional services where the service is incidental to regular professional duties and whose compensation is paid on a per diem basis;
- (12) employees of the Sibley House Association;
- (13) employees of the Grand Army of the Republic and employees of the ladies of the G.A.R.;
- (14) the members of any state board or commission who serve the state intermittently and are paid on a per diem basis; the secretary, secretary-treasurer, and treasurer of those boards if their compensation is \$500 or less per year, or, if they are legally prohibited from serving more than two consecutive terms and their total service is required by law to be less than ten years; and the board of managers of the state agricultural society and its treasurer unless the treasurer is also its full-time secretary;
- (15) state troopers;
- (16) temporary employees of the Minnesota state fair employed on or after July 1 for a period not to extend beyond October 15 of that year; and persons employed at any time by the state fair administration for special events held on the fairgrounds;
- (17) emergency employees in the classified service; except that if an emergency employee, within the same pay period, becomes a provisional or probationary employee on other than a temporary basis, the employee shall be considered a "state employee" retroactively to the beginning of the pay period;
- (18) persons described in section 352B.01, subdivision 2, clauses ~~(b) and (c)~~, formerly defined as state police officers (2) to (4);
- (19) temporary employees in the classified service, temporary employees in the unclassified service appointed for a definite period of not more than six months and employed less than six months in any one-year period and seasonal help in the classified service employed by the department of revenue;
- (20) trainees paid under budget classification number 41, and other trainee employees, except those listed in subdivision 2a, clause (10);
- (21) persons whose compensation is paid on a fee basis;
- (22) state employees who in any year have credit for 12 months service as teachers in the public schools of the state and as teachers are members of the teachers retirement association or a retirement system in St. Paul,

Minneapolis, or Duluth;

(23) employees of the adjutant general employed on an unlimited intermittent or temporary basis in the classified and unclassified service for the support of army and air national guard training facilities;

(24) chaplains and nuns who have taken a vow of poverty as members of a religious order;

(25) labor service employees employed as a laborer 1 on an hourly basis;

(26) examination monitors employed by departments, agencies, commissions, and boards to conduct examinations required by law;

(27) members of appeal tribunals, exclusive of the chair, to which reference is made in section 268.10, subdivision 4;

(28) persons appointed to serve as members of fact-finding commissions or adjustment panels, arbitrators, or labor referees under chapter 179;

(29) temporary employees employed for limited periods under any state or federal program for training or rehabilitation including persons employed for limited periods from areas of economic distress except skilled and supervisory personnel and persons having civil service status covered by the system;

(30) full-time students employed by the Minnesota historical society intermittently during part of the year and full-time during the summer months;

(31) temporary employees, appointed for not more than six months, of the metropolitan council and of any of its statutory boards, if the board members are appointed by the metropolitan council;

(32) persons employed in positions designated by the department of employee relations as student workers;

(33) any person who is 65 years of age or older when appointed and who does not have allowable service credit for previous employment, unless the employee gives notice to the director within 60 days after appointment that coverage is desired;

(34) members of trades employed by the metropolitan waste control commission with trade union pension plan coverage under a collective bargaining agreement first employed after June 1, 1977;

(35) persons employed in subsidized on-the-job training, work experience, or public service employment as enrollees under the federal Comprehensive Employment and Training Act after March 30, 1978, unless the person has as of the later of March 30, 1978, or the date of employment sufficient service credit in the retirement system to meet the minimum vesting requirements for a deferred annuity, or the employer agrees in writing on forms prescribed by the director to make the required employer contributions, including any employer additional contributions, on account of that person from revenue sources other than funds provided under the federal Comprehensive Employment and Training Act, or the person agrees in writing on forms prescribed by the director to make the required employer contribution in addition to the required employee contribution;

(36) off-duty peace officers while employed by the metropolitan transit commission under section 629.40, subdivision 5; and

(37) persons who are employed as full-time firefighters by the department of military affairs and as firefighters are members of the public employees police and fire fund.

Sec. 3. Minnesota Statutes 1988, section 352B.01, subdivision 2, is amended to read:

Subd. 2. [MEMBER.] "Member" means:

(a) (1) persons referred to and employed after June 30, 1943, under Laws 1929, chapter 355, as amended or supplemented, currently employed by the state, whose salaries or compensation is paid out of state funds;

(b) (2) a conservation officer employed under section 97A.201, currently employed by the state, whose salary or compensation is paid out of state funds; and

(c) (3) a crime bureau officer who was employed by the crime bureau and was a member of the highway patrolmen's retirement fund on July 1, 1978, whether or not that person has the power of arrest by warrant after that date, or who is employed as police personnel, with powers of arrest by warrant under section 299C.04, and who is currently employed by the state, and whose salary or compensation is paid out of state funds; and

(4) public safety employees defined as peace officers in section 626.84, subdivision 1, paragraph (c), and employed with the division of gambling enforcement under section 299L.01.

Sec. 4. Minnesota Statutes 1988, section 352B.14, subdivision 4, is amended to read:

Subd. 4. [RETIREE UNDER OLD LAW.] A member defined in section 352B.01, subdivision 2, clause (a) (1), who has retired and began collecting a retirement annuity before April 21, 1961, or any surviving spouse or child who began collecting an annuity or benefit before April 21, 1961, shall continue to receive an annuity or benefit in the amount and subject to the conditions specified in the law before April 21, 1961.

Article 2

PENSION PLAN INVESTMENT PERFORMANCE REPORTING

Section 1. [356.218] [INVESTMENT PERFORMANCE REPORT.]

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. 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 investment under chapters 11A and 356A and if the executive director of the state board of 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.

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.

Subd. 3. [CONTENTS OF THE INVESTMENT PERFORMANCE REPORT.] 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. The time-weighted rate of return results must be computed using market values and the formula or formulas prescribed by the state board of investment under section 11A.04, clause (11). The person performing the calculations shall certify conformance to that formula or those formulas. 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. 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. 2. [EFFECTIVE DATE.]

Section 1 is effective on July 1, 1990.

Article 3

STATE UNIVERSITY AND COMMUNITY COLLEGE FACULTY RETIREMENT PROVISIONS

Section 1. Minnesota Statutes 1989 Supplement, section 136.81, subdivision 1, is amended to read:

Subdivision 1. [DEDUCTIONS.] The state university board and the state board for community colleges shall deduct from the salary of each person described in section 136.80, subdivision 1, a sum equal to five percent of the person's annual salary paid between \$6,000 and \$15,000. The deduction must be made in the same manner as other retirement deductions are made from the salary of the person. The employer shall make a contribution to the plan on behalf of every covered person in an amount equal to the deductions made from the salary of the person. If an agreement is made under section 356.24 for additional employer contributions, an amount equal to the additional employer contribution must be deducted from the person's annual salary above \$15,000 as specified in this subdivision. ~~The money deducted and the employer contribution must be deposited to the credit of the state university and community college supplemental retirement plan account of the teachers retirement fund. The account must be~~

separate and distinct from other funds, accounts, or assets of the teachers retirement fund. Two percent of the amount of the salary deductions and employer contributions must be credited to the administrative expense reserve account of the supplemental retirement plan and must be used by the state university board and the state board for community colleges for payment of necessary and reasonable administrative expenses of the supplemental retirement plan as provided in section 354.65.

Deductions taken from the salary of a person for the supplemental retirement plan in error must, upon discovery and verification, be refunded to the person. Any related employer contributions must be refunded to the employer. The executive director shall establish a reserve reflecting any gains or losses realized due to the purchase and redemption of shares representing salary deductions and employer contributions made in error. The balance of the reserve remaining after the refund of contributions made in error must be credited annually to the administrative expense reserve account.

If salary deductions required under this section are omitted, the amount of the omitted salary deductions may be remitted by the person to the supplemental retirement plan investment account of the teachers retirement association within 90 days following the association's written notification to the person of the omission, but not thereafter. If the omitted salary deductions are received from the person, the required employer contribution must be paid by the employer within 30 days after the association's written notification to the employer of the amount due.

Sec. 2. Minnesota Statutes 1988, section 136.81, is amended by adding a subdivision to read:

Subd. 1a. [ADMINISTRATION.] The state university board and the community college board shall administer the supplemental retirement plan for their employees. The boards shall invest contributions made under this section, less amounts used for administrative expenses, as required by section 354B.05, subdivisions 2 and 3. The retirement contributions and death benefits provided by annuity contracts or custodial accounts purchased by the boards are owned by the members of the plan and must be paid in accordance with the provisions of the annuity contracts or custodial accounts.

Sec. 3. Minnesota Statutes 1988, section 354B.01, subdivision 2, is amended to read:

Subd. 2. [COVERED EMPLOYMENT; STATE UNIVERSITIES.] "Covered employment," with respect to employment by the state university system, means employment in a position included in the definition of teacher under section 354.05, subdivision 2, other than that of an administrator covered by or eligible for coverage in the Minnesota state retirement system unclassified employees retirement plan. "Covered employment" does not include employment when the initial appointment is defined as less than 25 percent of a full academic year, exclusive of summer session.

Sec. 4. Minnesota Statutes 1988, section 354B.01, subdivision 3, is amended to read:

Subd. 3. [COVERED EMPLOYMENT; COMMUNITY COLLEGES.] "Covered employment," with respect to employment by the community college system, means employment in a position included in the definition of teacher under section 354.05, subdivision 2. "Covered employment"

does not include employment when the initial appointment is defined as less than 25 percent of a full academic year, exclusive of summer session.

Sec. 5. Minnesota Statutes 1989 Supplement, section 354B.02, is amended by adding a subdivision to read:

Subd. 4. [PURCHASE OF PRIOR SERVICE CREDIT.] A person who is initially excluded from participation, but is subsequently appointed to a position that qualifies for participation, may purchase credit for the prior uncovered employment. This purchase must be made by paying to the employer the amount the person would have paid if the prior service had been covered employment. This payment must be made within 45 days of the start of covered employment. The employer must contribute an amount to match any contribution made by an employee under this subdivision. Contributions for prior service must be invested under section 354B.05. Once a person is employed in a position that qualifies for participation, all subsequent employment by the person is under the provisions of this plan.

Sec. 6. Minnesota Statutes 1989 Supplement, section 354B.03, subdivision 1, is amended to read:

Subdivision 1. [PROCEDURE.] If a person with less than three years of allowable service elects a transfer to the plan under section 354B.02, subdivision 2 or 3, the executive director of the teachers retirement association shall transfer from the teachers retirement fund to the plan the person's member contributions plus interest compounded annually at ~~five~~ six percent a year. The transfer must be made within 90 days from the date the executive director receives notification of the election. The transfer may not include any amount representing an employer contribution nor any amount representing the repayment of a refund received by the association after the date of enactment of this act.

Sec. 7. Minnesota Statutes 1989 Supplement, section 354B.05, subdivision 3, is amended to read:

Subd. 3. [SELECTION OF FINANCIAL INSTITUTIONS.] The supplemental investment fund administered by the state board of investment is one of the investment options for the plan. The state university board and the community college board shall select no more than ~~three~~ two other financial institutions to provide annuity contracts or custodial accounts. Each board may at its discretion change a selection of an institution. Investment programs offered by the institutions must meet the requirements of section 401(a) or 403(b) of the Internal Revenue Code of 1986, as amended. In making their selections, the boards shall consider these criteria:

- (1) the experience and ability of the financial institution to provide retirement and death benefits suited to the needs of the covered employees;*
- (2) the relationship of the benefits to their cost; and*
- (3) the financial strength and stability of the institution.*

The executive director of the teachers retirement fund shall redeem all shares in the accounts of the Minnesota supplemental investment fund held on behalf of personnel in the supplemental plan who elect an investment option other than the supplemental investment fund, except that shares in the guaranteed return account must not be redeemed. The executive director shall transfer the cash realized to the financial institutions selected by the state university board and the community college board under this section.

For employees who continue to participate in the supplemental investment fund or who own shares in the guaranteed return account, the executive director of the teachers retirement association shall transfer administrative records to the state university board or the community college board.

Sec. 8. [INTEREST ON CERTAIN PRIOR TRANSFERS.]

The increase in interest payable on transfers specified in section 6 is also payable on transfers made before the effective date of section 6. The executive director of the teachers retirement association shall calculate the transfer interest amounts payable on these prior transfers and transfer the additional interest within 60 days of the effective date of this section.

Sec. 9. [REPEALER.]

Minnesota Statutes 1988, sections 136.81, subdivisions 2 and 3; 136.82, subdivisions 3 and 4; 136.83; and 136.85, are repealed. Minnesota Statutes 1989 Supplement, sections 136.82, subdivisions 1 and 2; and 136.84, are repealed.

Sec. 10. [EFFECTIVE DATE.]

Sections 1, 2, 7, and 9 are effective July 1, 1991. Sections 3 to 6 and 8 are effective the day following final enactment.

Article 4

UNCLASSIFIED RETIREMENT PROGRAM MEMBERSHIP

Section 1. Minnesota Statutes 1988, section 352D.02, subdivision 1, is amended to read:

Subdivision 1. [COVERAGE.] ~~The following~~ (a) Employees enumerated in paragraph (b), if they are in the unclassified service of the state and are eligible for coverage under the general state employees retirement fund plan under chapter 352, ~~shall participate~~ are participants in the unclassified program under this chapter unless ~~an~~ the employee gives notice to the executive director of the Minnesota state retirement system within one year following the commencement of employment in the unclassified service that the employee desires coverage under the ~~regular employee~~ general state employees retirement plan. For the purposes of this chapter, an employee who does not file notice with the executive director ~~shall be~~ is deemed to have exercised the option to participate in the unclassified plan.

(b) Enumerated employees are:

(1) ~~any~~ an employee in the office of the governor, lieutenant governor, secretary of state, state auditor, state treasurer, attorney general or an employee of the state board of investment;

(2) the head of ~~any~~ a department, division, or agency created by statute in the unclassified service, an acting department head subsequently appointed to the position, or ~~any~~ an employee enumerated in section 15A.081, subdivision 1 or 15A.083, subdivision 4;

(3) ~~any~~ a permanent, full-time unclassified employee of the legislature or ~~any~~ a commission or agency of the legislature or a temporary legislative employee having shares in the supplemental retirement fund as a result of former employment covered by this chapter, whether or not eligible for coverage under the Minnesota state retirement system;

(4) ~~any~~ a person employed in a position established pursuant to under

section 43A.08, subdivision 1, clause (c), or subdivision 1a, or in a position authorized under a statute creating or establishing a department or agency of the state, which is at the deputy or assistant head of department or agency or director level;

(5) the chair, chief administrator, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan waste control commission as designated by the commission; the chair, executive director, and not to exceed three positions at the division director or assistant to the chair level of the regional transit board; a chief administrator who is an employee of the metropolitan transit commission; and the chair, executive director, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan council as designated by the council; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations ~~shall~~ *may* be made without approval of the board of directors of the Minnesota state retirement system;

(6) the executive director, associate executive director, and not to exceed nine positions of the higher education coordinating board in the unclassified service, as designated by the higher education coordinating board; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations ~~shall~~ *may* be made without approval of the board of directors of the Minnesota state retirement system;

(7) the clerk of the appellate courts appointed ~~pursuant to~~ *under* article VI, section 2, of the Constitution of the state of Minnesota;

(8) the chief executive officers of correctional facilities operated by the department of corrections and of hospitals and nursing homes operated by the department of human services;

(9) ~~any~~ *an* employee whose principal employment is at the state ceremonial house;

(10) ~~employees~~ *an employee* of the Minnesota educational computing corporation; ~~and~~;

(11) ~~any~~ *an* employee of the world trade center board; *and*

(12) *an employee of the division of the state lottery in the department of gaming who is covered by the managerial plan established under section 43A.18, subdivision 3.*

Sec. 2. [TRANSFER OF ASSETS.]

An unclassified employee of the division of the state lottery in the department of gaming on the effective date of this section who is covered by the managerial plan established under Minnesota Statutes, section 43A.18, subdivision 3, and who was covered by the general state employees retirement plan under Minnesota Statutes, chapter 352, while employed as an unclassified employee of the division of the state lottery may transfer accumulated employee and employer contributions made while employed with the division of the state lottery to the unclassified plan, as provided in Minnesota Statutes, section 352D.03.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment and apply to any person who was employed with the division of the state lottery in the department of gaming and who is covered by the managerial plan

established under Minnesota Statutes, section 43A.18, subdivision 3, before that date and after that date.

Article 5

FIDUCIARY RESPONSIBILITY MODIFICATIONS

Section 1. Minnesota Statutes 1989 Supplement, section 356A.06, subdivision 4, is amended to read:

Subd. 4. [ECONOMIC INTEREST STATEMENT.] (a) Each member of the governing board of a covered pension plan and the chief administrative officer of the plan shall file with the plan a statement of economic interest.

(b) For a covered pension plan other than a plan specified in paragraph (c), the statement must contain the information required by section 10A.09, subdivision 5, and any other information that the fiduciary or the governing board of the plan determines is necessary to disclose a reasonably foreseeable potential or actual conflict of interest.

(c) For a covered pension plan governed by sections 69.771 to 69.776 or a covered pension plan governed by section 69.77 with assets under \$8,000,000, the statement must contain the following:

(1) the person's principal occupation and principal place of business;

(2) whether or not the person has an ownership of or interest of ten percent or greater in an investment security brokerage business, a real estate sales business, an insurance agency, a bank, a savings and loan, or another financial institution; and

(3) any relationship or financial arrangement that can reasonably be expected to give rise to a conflict of interest.

(d) The statement must be filed annually with the chief administrative officer of the plan and be available for public inspection during regular office hours at the office of the pension plan.

(e) A disclosure form meeting the requirements of the federal Investment Advisers Act of 1940, United States Code, title 15, sections 80b-1 to 80b-21 as amended, and filed with the state board of investment or the pension plan meets the requirements of this subdivision.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment.

Article 6

MISCELLANEOUS LOCAL PENSION MODIFICATIONS

Section 1. Laws 1978, chapter 689, section 4, subdivision 2, as amended by Laws 1981, chapter 224, section 272, is amended to read:

Subd. 2. [THIEF RIVER FALLS POLICE ~~RETIREMENT PENSION TRUST FUND; REPORTING ACTUARIAL VALUATION.~~] Upon the transfer of money and the establishment of the trust fund pursuant to subdivision 1 and periodically thereafter, the board of trustees shall have an actuarial valuation ~~or survey~~ and experience study made of the trust fund in accordance with the filing requirements and applicable actuarial standards set forth in the general statute governing actuarial reporting by police and fire funds, *except that the actuarial valuation and experience study need be made at least once every five years.* The board of trustees shall also

complete and file a financial report for the trust fund in accordance with Minnesota Statutes, Section 69.051.

Sec. 2. Laws 1980, chapter 612, section 3, as amended by Laws 1981, chapter 301, section 4, is amended to read:

Sec. 3. [SAINT PAUL AND MINNEAPOLIS, CITIES OF; EMPLOYMENT OF UNIVERSITY OR COLLEGE STUDENTS.]

Notwithstanding any contrary provision of the Saint Paul city charter and the Minneapolis city charter, or, a statute, including the veterans preference act, or a civil service rule or regulation, the governing body or any board or commission of the city of Saint Paul and the city of Minneapolis having authority to hire employees may employ university, college, or professional school students pursuant to an intern or other training program when the program is sponsored or substantially financed by the state or the United States or by a philanthropic foundation or organization. Persons hired under a program shall be in the unclassified service of the city and serve at the pleasure of the body employing them. No full time appointment under this section shall exceed one year. Persons employed under this section shall be excluded from the provisions of Minnesota Statutes, Sections 268.03 to 268.24, and *Minnesota Statutes, Chapters 353 and 356.*

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the Thief River Falls city council and governs actuarial valuations and experience studies to be made under section 1 beginning with the next actuarial valuation and experience study required after 1989.

Section 2 is effective, if approved by both the city councils of the city of Saint Paul and the city of Minneapolis, the day after compliance by them with Minnesota Statutes, section 645.021, subdivision 3."

Delete the title and insert:

"A bill for an act relating to retirement; various retirement plans; including gambling enforcement division officers in the membership of the state patrol retirement plan; requiring regular investment performance reporting from public pension plans; modifying various retirement provisions related to state university and community college faculty members; including certain state lottery employees in the unclassified state employees retirement program; modifying economic interest statement requirements for certain pension plan fiduciaries; changing schedule for actuarial valuations for the Thief River Falls police pension trust fund; excluding certain interns from public employees retirement association membership; amending Minnesota Statutes 1988, sections 43A.34, subdivision 4; 136.81, by adding a subdivision; 352B.01, subdivision 2; 352B.14, subdivision 4; 352D.02, subdivision 1; 354B.01, subdivisions 2 and 3; Minnesota Statutes 1989 Supplement, sections 136.81, subdivision 1; 352.01, subdivision 2b; 354B.02, by adding a subdivision; 354B.03, subdivision 1; 354B.05, subdivision 3; 356A.06, subdivision 4; Laws 1978, chapter 689, section 4, subdivision 2, as amended; Laws 1980, chapter 612, section 3, as amended; proposing coding for new law in Minnesota Statutes, chapter 356; repealing Minnesota Statutes 1988, sections 136.81, subdivisions 2 and 3; 136.82, subdivisions 3 and 4; 136.83; 136.85; Minnesota Statutes 1989 Supplement, sections 136.82, subdivisions 1 and 2; and 136.84."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 2045: A bill for an act relating to judicial administration; proposing an amendment to the Minnesota Constitution, articles VI and VIII, creating a court of compensation appeals; abolishing the workers' compensation court of appeals; providing for designation by the governor of the chief judge of the workers' compensation court of appeals; regulating the administration of the workers' compensation court of appeals; appropriating money; amending Minnesota Statutes 1988, sections 3C.11, subdivision 3; 3C.12, subdivision 2; 5.08, subdivision 2; 10A.01, subdivision 19; 14.03, subdivision 2; 15A.082, subdivisions 1 and 3; 15A.083, subdivision 7; 43A.18, subdivision 3; 43A.27, subdivision 4; 175A.01, subdivision 1; 175A.02; 175A.07, subdivision 4; 176.421, subdivisions 5, 6, and by adding a subdivision; 204B.06, subdivisions 4 and 6; 204B.11, subdivision 1; 204B.34, subdivision 3, 204B.36, subdivision 4; 204D.02, subdivision 1; 204D.08, subdivision 6; 209.01, subdivision 2; 268.10, subdivision 8; 268.12, subdivision 13; 480.052; 480.054; 480.055, subdivision 1; 480.19; 480A.06, subdivision 3; 481.02, subdivisions 3 and 6; 490.15, subdivision 1; and 574.18; Minnesota Statutes 1989 Supplement, sections 10A.01, subdivisions 5 and 18; 357.08; proposing coding for new law as Minnesota Statutes, chapter 480B; repealing Minnesota Statutes 1988, sections 175A.01 to 175A.10; and 176.471.

Reports the same back with the recommendation that the bill be amended as follows:

Page 15, line 6, after the period, insert "*Of the initial appointments, two judges must be appointed to six-year terms; two judges to four-year terms; and one judge to a two-year term.*"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2564: A bill for an act relating to criminal sexual contact; expanding the definition of "sexual contact" in fifth degree criminal sexual conduct; amending Minnesota Statutes 1988, section 609.3451, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 609.3451, subdivision 1, is amended to read:

Subdivision 1. [CRIME DEFINED.] A person is guilty of criminal sexual conduct in the fifth degree if the person engages in nonconsensual sexual contact. For purposes of this section, "sexual contact" has the meaning given in section 609.341, subdivision 11, paragraph (a), clauses (i) and (iv), but does not include the intentional touching of the clothing covering the immediate area of the buttocks. "*Sexual contact*" also includes the intentional removal or attempted removal of clothing covering the complainant's intimate parts or undergarments, if the action is performed with

sexual or aggressive intent.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1990, and applies to crimes committed on or after that date."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 2395: A bill for an act relating to unemployment compensation; making various technical changes; regulating eligibility of conservation corps members and entertainers; increasing the income disregard; regulating eligibility for persons receiving holiday pay; regulating administrative hearings; providing for data sharing; appropriating certain federal money; amending Minnesota Statutes 1988, sections 268.08, subdivision 3; 268.10, subdivision 9; and 268.12, subdivision 13; Minnesota Statutes 1989 Supplement, sections 84.965, subdivision 2; 84.98, subdivision 5; 268.04, subdivision 12; 268.07, subdivision 2; 268.12, subdivision 12; 270B.14, subdivisions 2 and 8; and 290.92, subdivision 21.

Reports the same back with the recommendation that the bill be amended as follows:

Page 21, line 19, delete "or" and insert "and"

Page 21, line 22, delete "shall be confidential" and insert "are private"

Page 21, line 23, delete "protected"

Page 21, line 25, after "8" insert a comma

Pages 24 and 25, delete section 9

Page 26, line 25, after "10," insert "and" and delete ", and 12,"

Renumber the sections in sequence

Amend the title as follows

Page 1, line 14, delete "subdivisions 2 and" and insert "subdivision"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Davis from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 2477: A bill for an act relating to agriculture; providing for light butter; amending Minnesota Statutes 1988, section 32.471, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 32.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 32.471, subdivision 1, is amended to read:

Subdivision 1. [PROHIBITION.] ~~No~~ A person ~~shall~~ *may not* manufacture for sale, or sell, or have in possession with intent to sell, ~~any~~:

(1) dairy or creamery butter ~~which that~~ contains less than 80 percent butterfat by weight; or ~~which~~ has been manufactured from milk or cream ~~which that~~ has not been pasteurized in accordance with the provisions of sections 32.391 and 32.392; ~~provided that nothing in this section shall be construed as prohibiting the manufacture, sale, or distribution of butterfat spreads with a lower butterfat content so long as such spreads are packaged and contain all dairy products and labeled so as to disclose the butterfat and other ingredient content and distinguish them from butter, in accordance with rules of the commissioner or~~

(2) light butter that does not meet the requirements of section 2.

Sec. 2. [32.474] [LIGHT BUTTER.]

Subdivision 1. [DEFINITION.] "Light butter" means a food produced to resemble butter that contains 52 percent butterfat, with one-third fewer calories, made from milk or cream, or both, that has been pasteurized in accordance with sections 32.391 and 32.392, that may contain one or more of the optional dairy ingredients described in subdivision 3, and that may contain other optional ingredients described in subdivision 4.

Subd. 2. [VITAMIN A ADDED.] Light butter must have vitamin A added, if necessary, to provide 15,000 international units per pound within limits of good manufacturing practices.

Subd. 3. [DAIRY INGREDIENTS.] Light butter may contain the following dairy ingredients: part skim milk, skim milk, buttermilk, whey, and whey-derived ingredients.

Subd. 4. [OTHER INGREDIENTS.] Light butter may contain the following optional ingredients: water, salt or salt substitutes, bacterial cultures, nutritive sweeteners, emulsifiers and stabilizers, safe and suitable color additives, natural flavors, and safe and suitable ingredients that improve texture, prevent syneresis, or extend the shelf life of the product.

Sec. 3. Minnesota Statutes 1988, section 32.481, is amended to read:

32.481 [CHEESE.]

Subdivision 1. [DEFINITION.] ~~The term~~ "Cheese" as used in sections 32.481 to 32.485; ~~shall include~~ includes all varieties of cheese, cheese spreads, cheese foods, cheese compounds, or processed cheese, made or manufactured in whole or in part from cow's, goat's, or sheep's milk.

Subd. 2. [REDUCED FAT CHEESE; LIGHT CHEESE.] (a) "Reduced fat cheese" or "light cheese" is a product prepared from milk and other ingredients by the processing procedures set by rule or by an alternate procedure that produces a finished cheese having the same or substantially the same flavor, body, and texture characteristics as the referenced standardized variety on the labels of the reduced fat cheese.

(b) Reduced fat cheese must contain at least one-third less than the minimum milkfat content required of the referenced standardized variety. The moisture content of the reduced fat cheese must not exceed 125 percent of the maximum allowable moisture of the referenced standardized variety. The principal display panel must bear the name "reduced fat cheese" or "light cheese," the blank to be filled with the varietal name of the referenced standardized cheese all in the same size type. The principal display panel must also contain a statement declaring the

amount of fat reduction as a percentage or fraction of the referenced standardized variety in a type size not less than one-half that of the name of the reduced fat cheese. All other label information must be as stated in section 32.483 or as required by Code of Federal Regulations, title 21, and as adopted by rule.

Sec. 4. Minnesota Statutes 1988, section 32.55, subdivision 2, is amended to read:

Subd. 2. [FROZEN FOOD.] "Frozen foods" means ice cream, frozen custard, French ice cream, French custard ice cream, ice milk, fruit sherbets, water ices, frozen malted milk, frozen milk shakes, frozen malts, frozen yogurt, frozen low-fat yogurt, frozen nonfat yogurt, reduced-fat ice cream, low-fat ice cream, nonfat ice cream, or any frozen food for which the commissioner has established a standard of identity, but shall not include frozen vegetables, fruits, meats, poultry, or bakery products.

Sec. 5. Minnesota Statutes 1988, section 32.55, is amended by adding a subdivision to read:

Subd. 14. [FROZEN YOGURT; FROZEN LOW-FAT YOGURT; FROZEN NONFAT YOGURT.] "*Frozen yogurt,*" "*frozen low-fat yogurt,*" or "*frozen nonfat yogurt*" means a frozen dairy food made from a mix containing safe and suitable ingredients including, but not limited to, milk products. All or a part of the milk products must be cultured with a characterizing live bacterial culture that contains the lactic acid producing bacteria *Lactobacillus bulgaricus* and *Streptococcus thermophilus* and may contain other lactic acid producing bacteria.

Sec. 6. Minnesota Statutes 1988, section 32.55, is amended by adding a subdivision to read:

Subd. 15. [REDUCED-FAT ICE CREAM.] "*Reduced-fat ice cream*" means a frozen food that is made from the same ingredients and in the same manner as for ice cream except that:

- (1) *milkfat content is more than two percent but not more than seven percent;*
- (2) *total milk solids content per gallon before the addition of bulky flavors is not less than .46 pounds and not less than 1.3 pounds of food solids per gallon; and*
- (3) *the weight per gallon is not less than 4.0 pounds.*

Sec. 7. Minnesota Statutes 1988, section 32.55, is amended by adding a subdivision to read:

Subd. 16. [LOW-FAT ICE CREAM.] "*Low-fat ice cream*" means a frozen food that is made from the same ingredients and in the same manner as ice cream except that:

- (1) *milkfat content is more than 0.5 percent but not more than 2.0 percent;*
- (2) *total milk solids content per gallon before the addition of bulky flavors is not less than .49 pounds and not less than 1.3 pounds of total food solids per gallon; and*
- (3) *the weight per gallon is not less than 4.0 pounds.*

Sec. 8. Minnesota Statutes 1988, section 32.55, is amended by adding a subdivision to read:

Subd. 17. [NONFAT ICE CREAM.] "*Nonfat ice cream*" means a frozen

food that is made from the same ingredients and in the same manner as for ice cream except that:

- (1) milkfat content is less than 0.5 percent;*
- (2) total milk solids content per gallon before the addition of bulky flavors is not less than .45 pounds and not less than 1.3 pounds of total food solids per gallon; and*
- (3) the weight per gallon is not less than 4.0 pounds.*

Sec. 9. [32.555] [COMPLIANCE WITH FEDERAL REGULATIONS.]

(a) Frozen yogurt, frozen low-fat yogurt, and frozen nonfat yogurt must comply with Code of Federal Regulations, title 21, and sections 32.55 to 32.90.

(b) Reduced-fat ice cream, low-fat ice cream, and nonfat ice cream must comply with the frozen dessert provisions in Code of Federal Regulations, title 21, part 135.

Sec. 10. [EFFECTIVE DATE.]

Section 7 and section 8 as it applies to nonfat ice cream are effective January 1, 1991."

Delete the title and insert:

"A bill for an act relating to agriculture; providing requirements for light butter, reduced fat cheese, light cheese, frozen yogurt, frozen low-fat yogurt, frozen nonfat yogurt, reduced-fat ice cream, low-fat ice cream, and nonfat ice cream; amending Minnesota Statutes 1988, sections 32.471, subdivision 1; 32.481; and 32.55, subdivision 2, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 32."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davis from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 2468: A bill for an act relating to agriculture; requiring certain disclosures about artificial cheese; proposing coding for new law in Minnesota Statutes, chapter 31.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [31.105] [ARTIFICIAL DAIRY PRODUCTS.]

Subdivision 1. [NOTICE REQUIRED.] Except as provided in subdivision 2, a restaurant with \$500,000 or more in gross sales whose principal business is serving or selling foods for consumption on the premises some of which contain artificial dairy products must:

(1) post in a clearly visible manner on or near each customer entrance to the premises a notice substantially as follows: "NOTICE: ONE OR MORE OF THE PRODUCTS SERVED OR SOLD BY THIS ESTABLISHMENT MAY CONTAIN ARTIFICIAL DAIRY PRODUCTS"; or

(2) print on or affix to the menu or menu board a list of the foods that

contain artificial dairy products.

Subd. 2. [EXCEPTIONS.] A restaurant that prepares and serves or sells foods is exempt from the disclosure requirements of subdivision 1 if:

(1) the foods do not contain artificial dairy products;

(2) the foods contain only minor quantities of artificial dairy products used principally for cosmetic purposes; or

(3) the foods containing artificial dairy products are sold prepackaged and labeled in accordance with federal labeling regulations.

Subd. 3. [RULES.] The commissioner may adopt rules necessary to administer this section. The rules may include provisions governing the size, location, and wording of disclosure notices.

Sec. 2. [32.5335] [REAL DAIRY PRODUCTS OFFERED WITH ARTIFICIAL DAIRY PRODUCTS.]

A person who offers artificial dairy products as a substitute for dairy products and charges for the artificial dairy product, or the artificial dairy product is served with food or drink for which there is a charge, must also provide the real dairy product on request."

Delete the title and insert:

"A bill for an act relating to agriculture; providing customer information when artificial dairy products are used in certain foods; providing real dairy products offered on request if artificial dairy products are served; proposing coding for new law in Minnesota Statutes, chapters 31 and 32."

And when so amended the bill do pass.

Pursuant to Joint Rule 2.03, the bill was re-referred to the Committee on Rules and Administration.

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 2318: A bill for an act relating to education; making rules governing the use of aversive and deprivation procedures by school district employees conform with department of human services rules; amending Minnesota Statutes 1988, section 127.44.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 127.43, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION.] For the purposes of *providing instruction to handicapped children under section 120.17*, this section and section 127.44, the following terms have the meanings given them.

Sec. 2. Minnesota Statutes 1988, section 127.44, is amended to read:

127.44 [AVERSIVE AND DEPRIVATION PROCEDURES.]

The state board of education shall adopt rules governing the use of aversive and deprivation procedures by school district employees or persons under contract with a school district. The rules must:

(1) promote the use of positive approaches and must not encourage or require the use of aversive or deprivation procedures;

(2) require that planned application of aversive and deprivation procedures be a part of an individual education plan;

(3) require parents or guardians to be notified after the use of aversive or deprivation procedures in an emergency; ~~and~~

(4) establish health and safety standards for the use of time-out procedures that require a safe environment, continuous monitoring of the child, ventilation, and adequate space; *and*

(5) contain a list of prohibited procedures.

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; clarifying that statutes governing aversive and deprivation procedures apply to handicapped pupils; requiring that rules of the state board of education contain a list of prohibited procedures; amending Minnesota Statutes 1988, sections 127.43, subdivision 1; and 127.44."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 2195: A bill for an act relating to waste; prohibiting certain types of low-level radioactive waste from being disposed of at other than licensed facilities; proposing coding for new law in Minnesota Statutes, chapter 116C.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [116C.851] [DEFINITIONS.]

Subdivision 1. [FACILITY.] "Facility" has the meaning given in section 116C.831, article II, paragraph f.

Subd. 2. [LOW-LEVEL RADIOACTIVE WASTE.] "Low-level radioactive waste" means waste that consists of or contains class A, B, or C radioactive waste as defined by Code of Federal Regulations, title 10, section 61.55, as in effect on January 26, 1983.

Sec. 2. [116C.852] [LOW-LEVEL RADIOACTIVE WASTE DISPOSAL.]

No low-level radioactive waste may be treated, recycled, stored, or disposed of in this state except at a facility that is specifically licensed for treatment, recycling, storage, or disposal of low-level radioactive waste regardless of whether or not the waste has been reclassified as "below regulatory concern" by the United States Nuclear Regulatory Commission pursuant to a generic rule or standard adopted after January 1, 1990.

Sec. 3. [DUTIES OF THE ADVISORY TASK FORCE ON RADIOACTIVE WASTE DEREGULATION.]

The advisory task force on radioactive waste deregulation shall:

(1) design and initiate a study that will:

(i) be a cost-benefit analysis of deregulation of "low-level" radioactive waste costs, including regulatory, health, and environmental costs and benefits, including both dollar and nondollar benefits in both the long term and the short term;

(ii) be completed by October 1991;

(2) determine who will conduct the study;

(3) determine the timelines for the study;

(4) evaluate the cost-benefit study;

(5) make recommendations to the legislature by January 1, 1992.

Sec. 4. [ADVISORY TASK FORCE.]

The legislative commission on waste management shall appoint an advisory task force on radioactive waste deregulation. The task force must include representatives from the office of waste management, pollution control agency, department of health, a public interest consumer advocate organization, organized labor, environmental organizations, and affected industry. The task force shall coordinate with the United States Nuclear Regulatory Commission. The members shall serve without compensation.

Sec. 5. [REPEALER.]

Sections 1 to 4 are repealed effective June 30, 1992.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 4 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "providing for a task force on radioactive waste deregulation;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 2034: A bill for an act relating to taxation; property; making technical corrections and administrative changes; providing for the management and cleanup of tax-forfeited lands; amending Minnesota Statutes 1988, sections 115B.02, subdivision 11; 115B.03, by adding a subdivision; 115C.02, subdivision 8; 115C.021, by adding a subdivision; 116.49, by adding a subdivision; 273.42, subdivision 1; 274.01, subdivision 1; 282.08; and 287.21, subdivision 2; Minnesota Statutes 1989 Supplement, sections 50.14, subdivision 4; 118.12; 168.013, subdivision 5; 273.01; 273.11, subdivision 1; 273.124, subdivision 9; 282.01, subdivision 1; 469.177, subdivision 1a; and 505.173, subdivision 1; Minnesota Statutes Second 1989 Supplement, sections 273.1391, subdivision 2; 273.1398, subdivisions 1, 2, 5a, and 6; 274.14; 274.175; 275.07, subdivision 3; and 275.51,

subdivision 3h; Laws 1989, First Special Session chapter 1, articles 3, section 35; and 9, section 86; proposing coding for new law in Minnesota Statutes, chapter 282; repealing Minnesota Statutes 1988, section 272.70.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“ARTICLE 1

TECHNICAL AND ADMINISTRATIVE CHANGES

Section 1. Minnesota Statutes 1988, section 116K.04, subdivision 4, is amended to read:

Subd. 4. The commissioner shall:

(1) Appoint the state demographer, who shall be compensated in accordance with section 43A.18, subdivision 3. The state demographer shall be professionally competent in the field of demography and shall possess demonstrated ability, based upon past performance;

(2) Continuously gather and develop demographic data within the state;

(3) Design and test methods of research and data collection;

(4) Periodically prepare population projections for designated regions and for the state and may periodically prepare projections for each county, or other political or geographic division as necessary to carry out the purposes of this section;

(5) Review, comment, and prepare analysis of population estimates and projections made by state agencies, political subdivisions, other states, federal agencies or nongovernmental persons, institutions or commissions;

(6) Serve as the state liaison with the federal bureau of census, and coordinate the activities of the state planning agency with federal demographic activities to the fullest extent possible, and shall aid the legislature in preparing a census data plan and form for each decennial census;

(7) Compile an annual study of population estimates on the basis of county, regional or other political or geographic divisions as necessary to carry out the purposes of this subdivision and section 116K.05;

(8) On or before January 1 of each year, issue a report to the legislature containing an analysis of the demographic implications of the annual population study and population projections;

(9) Cause to be prepared maps of all counties in the state, all municipalities with a population of 10,000 or more, and any other municipalities as deemed necessary for census purposes, according to scale and detail recommended by the federal bureau of the census, with the maps of cities showing boundaries of precincts; ~~and~~

(10) Prepare an estimate of population and of the number of households for each governmental subdivision for which the metropolitan council does not prepare an annual estimate, and shall communicate the estimates to the governing body of each governmental subdivision by May 1 of each year; *and*

(11) *Prepare a population estimate for an area annexed by a governmental subdivision subject to levy limits under sections 275.50 to 275.56*

if a municipal board order exists for the annexation and if the population in the annexed area is equal to either (1) at least 50 people or (2) at least ten percent of the population of a governmental subdivision or unorganized territory that is being annexed. The estimate shall be of the population as of the date, within the 12-month period after the annexation occurs, for which a population estimate for the governmental subdivision is made by either the state demographer under clause (10) or by the metropolitan council.

Sec. 2. Minnesota Statutes 1989 Supplement, section 168.013, subdivision 5, is amended to read:

Subd. 5. [CERTAIN VEHICLES SUBJECT TO PERSONAL PROPERTY TAX.] Motor vehicles not subject to taxation as provided in section 168.012, but subject to taxation as personal property within the state *under section 273.36 or 273.37, subdivision 1*, shall be assessed and valued at ~~33-1/3 percent of the market value thereof~~, have a tax capacity as provided in section 273.13, subdivision 25, provided, that if the person against whom any tax has been levied on the ad valorem basis because of any motor vehicle shall, during the calendar year for which such tax is levied, be also taxed under the provisions of this chapter, then and in that event, upon proper showing, the commissioner of revenue shall grant to the person against whom said ad valorem tax was levied, such reduction or abatement of net tax capacity or taxes as was occasioned by the so-called ad valorem tax imposed, and provided further that, if said ad valorem tax upon any motor vehicle has been assessed against a dealer in new and unused motor vehicles, and the tax imposed by this chapter for the required period is thereafter paid by the owner, then and in that event, upon proper showing, the commissioner of revenue, upon the application of said dealer, shall grant to such dealer against whom said ad valorem tax was levied such reduction or abatement of net tax capacity or taxes as was occasioned by the so-called ad valorem tax imposed. If such motor vehicle be registered and taxed under this chapter for a fractional part of the calendar year only, then such ad valorem tax shall be reduced in the percentage which such fractional part of the years bears to a full year.

Sec. 3. Minnesota Statutes 1989 Supplement, section 272.16, is amended to read:

272.16 [TRANSFER OF SPECIFIC PART.]

Subdivision 1. [TRANSFER OF SPECIFIC PART.] When any part less than the whole of any parcel of land, as charged in the tax lists, is conveyed, the county auditor shall transfer the same whenever the seller and purchaser agree, in a writing signed by them, or personally appear before the county auditor and agree, upon the amount of the net tax capacity to be transferred therewith; ~~but~~. If the seller and purchaser do not so agree, the county auditor shall make ~~such~~ a division of the net tax capacity as ~~may appear that appears just~~ to the auditor ~~just~~. If the county auditor is satisfied that the proportion of the net tax capacity so agreed to be transferred is greater than the proportional value of the land to be transferred therewith, and that ~~such~~ the agreement was made by collusion of the parties, and with a view fraudulently to evade payment of taxes assessed on the entire parcel, the auditor may refuse to make ~~such~~ the transfer; ~~and~~. When any such transfer has already been procured by fraudulent agreement, the auditor shall cancel ~~the same~~ it, and the land so transferred shall be charged with taxes in the same manner as though the transfer had not been made.

Subd. 2. [SPECIFIC PART CONVEYED AFTER EXECUTION OF A LENDER'S LIEN.] Notwithstanding the provisions of sections 272.12, 272.121, and 272.162, a lender that acquires through execution of a lien, any part less than the whole of any parcel of land, as charged in the tax lists, may convey that part upon payment of the proper proportion of taxes due and owing on that part. The county auditor shall determine the proper proportion of taxes to be paid. The lender shall be required to provide the county auditor with instruments that document the lender's lien and the acquisition of the part.

Sec. 4. Minnesota Statutes 1989 Supplement, section 273.01, is amended to read:

273.01 [LISTING AND ASSESSMENT, TIME.]

All real property subject to taxation shall be listed and at least one-fourth of the parcels listed shall be appraised each year with reference to their value on January 2 preceding the assessment so that each parcel shall be reappraised at maximum intervals of four years. All real property becoming taxable in any year shall be listed with reference to its value on January 2 of that year. Except as provided in *this section and section 274.01, subdivision 1*, all real property assessments shall be completed two weeks prior to the date scheduled for the local board of review or equalization. *No changes in valuation or classification which are intended to correct errors in judgment by the county assessor may be made by the county assessor after the board of review or the county board of equalization has adjourned; however, corrections of errors that are merely clerical in nature or changes that extend homestead treatment to property are permitted after adjournment until the tax extension date for that assessment year. Any changes made by the assessor after this time adjournment must be fully documented and maintained in a file in the assessor's office and shall be available for review by any person. A copy of any changes made during this period shall be sent to the county board no later than December 31 of an assessment year. In the event a valuation and classification is not placed on any real property by the dates scheduled for the local board of review or equalization the valuation and classification determined in the preceding assessment shall be continued in effect and the provisions of section 273.13 shall, in such case, not be applicable, except with respect to real estate which has been constructed since the previous assessment. Real property containing iron ore, the fee to which is owned by the state of Minnesota, shall, if leased by the state after January 2 in any year, be subject to assessment for that year on the value of any iron ore removed under said lease prior to January 2 of the following year. Personal property subject to taxation shall be listed and assessed annually with reference to its value on January 2; and, if acquired on that day, shall be listed by or for the person acquiring it.*

Sec. 5. Minnesota Statutes 1989 Supplement, section 273.11, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] Except as provided in subdivisions 6, 8, and 9 or section 273.17, subdivision 1, all property shall be valued at its market value. The market value as determined pursuant to this section shall be stated such that any amount under \$100 is rounded up to \$100 and any amount exceeding \$100 shall be rounded to the nearest \$100. In estimating and determining such value, the assessor shall not adopt a lower or different standard of value because the same is to serve as a basis of taxation, nor

shall the assessor adopt as a criterion of value the price for which such property would sell at a forced sale, or in the aggregate with all the property in the town or district; but the assessor shall value each article or description of property by itself, and at such sum or price as the assessor believes the same to be fairly worth in money. In assessing any tract or lot of real property, the value of the land, exclusive of structures and improvements, shall be determined, and also the value of all structures and improvements thereon, and the aggregate value of the property, including all structures and improvements, excluding the value of crops growing upon cultivated land. In valuing real property upon which there is a mine or quarry, it shall be valued at such price as such property, including the mine or quarry, would sell for a fair, voluntary sale, for cash. In valuing real property which is vacant, the fact that such property is platted shall not be taken into account. An individual lot of such platted property shall not be assessed in excess of the ~~assessment~~ valuation of the land as if it were unplatted until the lot is improved with a permanent improvement all or a portion of which is located upon the lot, or for a period of three years after final approval of said plat whichever is shorter. When a lot is sold or construction begun, ~~the net tax capacity~~ of that lot or any single contiguous lot fronting on the same street shall be eligible for ~~reassessment~~ revaluation. All property, or the use thereof, which is taxable under section 272.01, subdivision 2, or 273.19, shall be valued at the market value of such property and not at the value of a leasehold estate in such property, or at some lesser value than its market value.

Sec. 6. Minnesota Statutes Second 1989 Supplement, section 273.124, subdivision 6, is amended to read:

Subd. 6. [LEASEHOLD COOPERATIVES.] When one or more dwellings or one or more buildings which each contain several dwelling units is owned by a nonprofit corporation subject to the provisions of chapter 317 and qualifying under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, as amended through December 31, 1988, or a limited partnership which corporation or partnership operates the property in conjunction with a cooperative association, homestead treatment may be claimed by the cooperative association on behalf of the members of the cooperative for each dwelling unit occupied by a member of the cooperative. The cooperative association must provide the assessor with the social security numbers of those members. To qualify for the treatment provided by this subdivision, the following conditions must be met:

(a) the cooperative association must be organized under chapter 308A and all voting members of the board of directors must be resident tenants of the cooperative and must be elected by the resident tenants of the cooperative;

(b) the cooperative association must have a lease for occupancy of the property for a term of at least 20 years, which permits the cooperative association, while not in default on the lease, to participate materially in the management of the property, including material participation in establishing budgets, setting rent levels, and hiring and supervising a management agent;

(c) to the extent permitted under state or federal law, the cooperative association must have a right under a written agreement with the owner to purchase the property if the owner proposes to sell it; if the cooperative association does not purchase the property it is offered for sale, the owner

may not subsequently sell the property to another purchaser at a price lower than the price at which it was offered for sale to the cooperative association unless the cooperative association approves the sale;

(d) the cooperative must meet one of the following criteria with respect to the income of its members: (1) a minimum of 75 percent of members must have incomes at or less than 80 percent of area median income, (2) a minimum of 40 percent of members must have incomes at or less than 60 percent of area median income, or (3) a minimum of 20 percent of members must have incomes at or less than 50 percent of area median income. For purposes of this clause, "member income" means the income of a member existing at the time the member acquires his or her cooperative membership, and "median income" means the St. Paul-Minneapolis metropolitan area median income as determined by the United States Department of Housing and Urban Development;

(e) if a limited partnership owns the property, it must include as the managing general partner a nonprofit organization operating under the provisions of chapter 317 and qualifying under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, as amended through December 31, 1988, and the limited partnership agreement must provide that the managing general partner have sufficient powers so that it materially participates in the management and control of the limited partnership;

(f) prior to becoming a member of a leasehold cooperative described in this subdivision, a person must have received notice that (1) describes leasehold cooperative property in plain language, including but not limited to the effects of classification under this subdivision on rents, property taxes and tax credits or refunds, and operating expenses, and (2) states that copies of the articles of incorporation and bylaws of the cooperative association, the lease between the owner and the cooperative association, a sample sublease between the cooperative association and a tenant, and, if the owner is a partnership, a copy of the limited partnership agreement, can be obtained upon written request at no charge from the owner, and the owner must send or deliver the materials within seven days after receiving any request;

(g) if a dwelling unit of a building was occupied on the 60th day prior to the date on which the unit became leasehold cooperative property described in this subdivision, ~~then (1) the notice described in paragraph (f) must have been sent by first class mail to the occupant of the unit at least 60 days prior to the date on which the unit became leasehold cooperative property, and (2) prior to the mailing of the notice.~~ *For purposes of the notice under this paragraph, the copies of the documents referred to in paragraph (f) may be in proposed version, provided that any subsequent material alteration of those documents made after the occupant has requested a copy shall be disclosed to any occupant who has requested a copy of the document. Copies of the documents identified in the notice must have been articles of incorporation and certificate of limited partnership shall be filed with the secretary of state after the expiration of the 60-day period unless the change to leasehold cooperative status does not proceed;* and

(h) the county attorney of the county in which the property is located must certify to the assessor that the property meets the requirements of this subdivision.

Homestead treatment must be afforded to units occupied by members of the cooperative association and the units must be assessed as provided in

subdivision 3, provided that any unit not so occupied shall be classified and assessed pursuant to the appropriate class. No more than three acres of land may, for assessment purposes, be included with each dwelling unit that qualifies for homestead treatment under this subdivision.

Sec. 7. Minnesota Statutes Second 1989 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 3.6 percent of market value.

(b) Class 4b includes:

(1) residential real estate containing less than four units, other than seasonal residential, and recreational;

(2) post-secondary student housing not to exceed one acre of land which is owned by a nonprofit corporation organized under chapter 317 and is used exclusively by a sorority or fraternity organization for housing;

(3) manufactured homes not classified under any other provision;

(4) a dwelling, garage, and surrounding one acre of property on a non-homestead farm classified under subdivision 23, paragraph (b).

Class 4b property has a class rate of 3.0 percent of market value.

(c) Class 4c property includes:

(1) a structure that is situated on real property that is used for housing for the elderly or for low and moderate income families as defined by Title II of the National Housing Act or the Minnesota housing finance agency law of 1971 or rules promulgated by the agency pursuant thereto and financed by a *local government unit loan*, direct federal loan or, federally insured loan, or a loan made by the Minnesota housing finance agency pursuant to the provisions of either of those acts and acts amendatory thereof. This clause applies only to (i) property of a nonprofit or limited dividend entity, and (ii) property upon which restrictions are enforced by a public agency or governmental unit to ensure the affordability of rents for persons and families of low income and which is a "qualified low-income housing project" as defined in section 42(g) of the Internal Revenue Code of 1986, as amended through December 31, 1989. 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 that (i) receives a low-income housing credit under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1988; or (ii) meets the requirements of that section. Classification pursuant to this clause is limited to buildings the construction or rehabilitation of which began after May 1, 1988, and to a term of 15 years.

For all *class 4c* properties described in clauses (1), (2), and (3) and for *class 4d* properties described in paragraph (d), the market value determined by the assessor must be based on the normal approach to value using normal unrestricted rents. The land on which these structures are situated has the class rate given *class 4b* property in paragraph (b) if the structure contains fewer than four units, and the class rate given *class 4a* property in paragraph (a) if the structure contains four or more units.

(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 317; (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 225 days in the year preceding the year of assessment. For this purpose, property is devoted to commercial use on a specific day if it is used, or offered for use, and a fee is charged for the use. 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 225 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 and clause (6) also includes the remainder of class 1c resorts; and

(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, 1988. 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; and

Class 4c property has a class rate of 2.4 percent of market value.

(d) (1) Class 4d property includes any structure:

(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.

Classification under this clause is only available to property of a nonprofit or limited dividend entity.

(2) The class rates in paragraph (c), clauses (1), (2), and (3) and this clause (1) 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. The restrictions contained in this clause apply to all properties financed by a local government unit loan, regardless of when construction of the project began or when the project was approved.~~

Class 4d property has a class rate of 1.7 percent of market value for taxes payable in 1990, and two percent of market value for taxes payable thereafter.

(e) Residential rental property that would otherwise be assessed as class 4 property under paragraph (a); paragraph (b), clauses (1) and (2); paragraph (c), clause (1), (2), (3), or (4); ~~or paragraph (d)~~, 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 2.4 percent of market value if it is found to be a substandard building under section 273.1316.*

Sec. 8. Minnesota Statutes Second 1989 Supplement, section 273.1391, subdivision 2, is amended to read:

Subd. 2. For taxes payable in 1990 and subsequent years, the amount of the reduction authorized by subdivision 1 shall be:

(a) In the case of property located within a school district which does not meet the qualifications of section 273.134 as a tax relief area, but which is located in a county with a population of less than 100,000 in which taconite is mined or quarried and wherein a school district is located which does meet the qualifications of a tax relief area, and provided that at least 90 percent of the area of the school district which does not meet the qualifications of section 273.134 lies within such county, 57 percent of the tax on qualified property located in the school district that does not meet the qualifications of section 273.134, provided that the amount of said reduction shall not exceed the maximum amounts specified in clause (c), and shall not exceed an amount sufficient to reduce the effective tax rate on each parcel of property to the product of 95 percent of the base year effective tax rate multiplied by the ratio of the current year's tax rate to the payable 1989 tax rate. In no case will the reduction for each homestead resulting from this credit be less than \$10. The reduction provided by this clause shall only be applicable to property located within the boundaries of the county described therein.

(b) In the case of property located within a school district which does not meet the qualifications of section 273.134 as a tax relief area, but which is located in a school district in a county containing a city of the first class and a qualifying municipality, but not in a school district containing a city of the first class or adjacent to a school district containing a city of the first class unless the school district so adjacent contains a qualifying municipality, 57 percent of the tax, but not to exceed the maximums specified in clause (c), and shall not exceed an amount sufficient to reduce the effective tax rate on each parcel of property to the product of 95 percent of the base year effective tax rate multiplied by the ratio of the current year's tax rate to the payable 1989 tax rate. In no case will the reduction for each homestead resulting from this credit be less than \$10.

(c) The maximum reduction of the tax ~~up to the taconite breakpoint~~ is \$200.10 for taxes payable in 1985. This maximum amount shall increase by \$15 multiplied by the quantity one minus the homestead credit equivalency percentage per year for taxes payable in 1986 and subsequent years.

For the purposes of this subdivision, "homestead credit equivalency percentage" means one minus the ratio of the net tax capacity percentage to the gross tax capacity percentage applicable to the first \$68,000 of the market value of residential homesteads, and "effective tax rate" means tax divided by the market value of a property, and the "base year effective tax rate" means the payable 1988 tax on a property with an identical market value to that of the property receiving the credit in the current year after

application of the credits payable under Minnesota Statutes 1988, section 273.13, subdivisions 22 and 23, and this section, divided by the market value of the property.

Sec. 9. Minnesota Statutes Second 1989 Supplement, section 273.1398, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) In this section, the terms defined in this subdivision have the meanings given them.

(b) "Unique taxing jurisdiction" means the geographic area subject to the same set of tax capacity rates.

(c) "Gross tax capacity" means the product of the gross class rates and estimated market values. "Total gross tax capacity" means the gross tax capacities for all property within the unique taxing jurisdiction. The total gross tax capacity used shall be reduced by the sum of (1) the unique taxing jurisdiction's gross tax capacity of commercial industrial property as defined in section 473F02, subdivision 3, multiplied by the ratio determined pursuant to section 473F08, subdivision 6, for the municipality, as defined in section 473F02, subdivision 8, in which the unique taxing jurisdiction is located, (2) the gross tax capacity of the captured value of tax increment financing districts as defined in section 469.177, subdivision 2, and (3) the gross tax capacity of transmission lines deducted from a local government's total gross tax capacity under section 273.425. Gross tax capacity cannot be less than zero.

(d) "Net tax capacity" means the product of the appropriate net class rates for the year in which the aid is payable, except that for class 3 utility real and personal property the class rate applied shall be 5.38 percent, and estimated market values for the assessment two years prior to that in which aid is payable. "Total net tax capacity" means the net tax capacities for all property within the unique taxing jurisdiction. The total net tax capacity used shall be reduced by the sum of (1) the unique taxing jurisdiction's net tax capacity of commercial industrial property as defined in section 473F02, subdivision 3, multiplied by the ratio determined pursuant to section 473F08, subdivision 6, for the municipality, as defined in section 473F02, subdivision 8, in which the unique taxing jurisdiction is located, (2) the net tax capacity of the captured value of tax increment financing districts as defined in section 469.177, subdivision 2, and (3) the net tax capacity of transmission lines deducted from a local government's total net tax capacity under section 273.425. For purposes of determining the net tax capacity of property referred to in clauses (1) and (2), the net tax capacity shall be multiplied by the ratio of the highest class rate for class 3a property for taxes payable in the year in which the aid is payable to the highest class rate for class 3a property in the prior year. Net tax capacity cannot be less than zero.

(e) "Equalized market values" are market values that have been equalized by dividing the assessor's estimated market value for the second year prior to that in which the aid is payable by the assessment sales ratios determined by class in the assessment sales ratio study conducted by the department of revenue pursuant to section 124.2131 in the second year prior to that in which the aid is payable. The equalized market values shall equal the unequalized market values divided by the assessment sales ratio.

(f) "Local tax rate" means the quotient derived by dividing the gross taxes levied within a unique taxing jurisdiction for taxes payable in 1989

by the gross tax capacity of the unique taxing jurisdiction for taxes payable in 1989. For computation of the local tax rate for aid payable in 1991 and subsequent years, gross taxes for taxes payable in 1989 exclude equalized levies as defined in subdivision 2a. For purposes of computation of the local tax rate only, gross taxes shall not be adjusted by inflation or household growth.

(g) For purposes of calculating the homestead and agricultural credit aid authorized pursuant to subdivision 2, the "subtraction factor" is the product of (i) a unique taxing jurisdiction's local tax rate; (ii) its total net tax capacity; and (iii) 0.9767.

(h) For purposes of calculating and allocating homestead and agricultural credit aid authorized pursuant to subdivision 2 and the disparity reduction aid authorized in subdivision 3, "gross taxes levied on all properties" or "gross taxes" means the total gross taxes levied on all properties except that levied on the captured value of tax increment districts as defined in section 469.177, subdivision 2, and that levied on the portion of commercial industrial properties' assessed value or gross tax capacity, as defined in section 473F02, subdivision 3, subject to the areawide tax as provided in section 473F08, subdivision 6, in a unique taxing jurisdiction before reduction by any credits for taxes payable in 1989. Gross taxes are before any reduction for disparity reduction aid. Gross taxes levied cannot be less than zero.

For homestead and agricultural credit aid payable in 1991 and subsequent years, "gross taxes" or "gross taxes levied on all properties" shall mean gross taxes payable in 1989, excluding taxes defined as "equalized levies" actual amounts levied for the purposes listed in subdivision 2a, multiplied by the cost-of-living adjustment factor and the household adjustment factor.

(i) "Human services aids" means:

- (1) aid to families with dependent children under sections 256.82, subdivision 1, and 256.935, subdivision 1;
 - (2) medical assistance under sections 256B.041, subdivision 5, and 256B.19, subdivision 1;
 - (3) general assistance medical care under section 256D.03, subdivision 6;
 - (4) general assistance under section 256D.03, subdivision 2;
 - (5) work readiness under section 256D.03, subdivision 2;
 - (6) emergency assistance under section 256.871, subdivision 6;
 - (7) Minnesota supplemental aid under section 256D.36, subdivision 1;
 - (8) preadmission screening and alternative care grants under section 256B.091;
 - (9) work readiness services under section 256D.051;
 - (10) case management services under section 256.736, subdivision 13;
 - (11) general assistance claims processing, medical transportation and related costs; and
 - (12) medical assistance, medical transportation and related costs.
- (j) "Adjustment factor" means one plus the percentage change in (1) the

ratio of estimated market value of residential ~~homesteads~~ *property* to the estimated market value of all taxable property within the city or township containing the unique taxing jurisdiction based on the assessment one year prior to the year in which the aid is payable when compared to the same ratio based on the assessment two years prior to the year in which the aid is payable. If the market value of farm homesteads exceeds the market value of residential homesteads in the city or township containing the unique taxing jurisdiction *for the assessment two years prior to the year in which the aid is payable*, "~~adjusted~~ *adjustment factor*" means one plus the percentage change in the ratio of the estimated market value of farm ~~homesteads~~ *property* to the estimated market value of all taxable property within the city or township containing the unique taxing jurisdiction based on the assessment one year prior to the year in which the aid is payable when compared to the same ratio based on the assessment two years prior to the year in which the aid is payable. The adjustment factor cannot be less than one. Estimates of market value for the assessment one year prior to the year in which the aid is paid will be made on the basis of the abstract submitted pursuant to section 270.11. Discrepancies between the estimate and actual market values will not result in increased or decreased aid in the year in which the estimates are used to compute aid.

(k) "Cost-of-living adjustment factor" means one plus the percentage, if any, by which:

(1) the consumer price index for the calendar year preceding that in which aid is payable, exceeds

(2) the consumer price index for calendar year 1989.

(l) "Consumer price index for any calendar year" means the average of the consumer price index as of the close of the 12-month period ending on May 31 of such calendar year.

(m) "Consumer price index" means the last consumer price index for all-urban consumers published by the department of labor. For purposes of the preceding sentence, the revision of the consumer price index which is most consistent with the consumer price index for calendar year 1989 shall be used.

(n) "Household adjustment factor" means the number of households for the most recent year preceding that in which the aids are payable divided by the 1988 number of households. The household adjustment factor cannot be less than one.

Sec. 10. Minnesota Statutes Second 1989 Supplement, section 273.1398, subdivision 2, is amended to read:

Subd. 2. [HOMESTEAD AND AGRICULTURAL CREDIT AID.] (a) Initial homestead and agricultural credit aid for each unique taxing jurisdiction equals the total gross taxes levied on all properties, minus the unique taxing jurisdiction's subtraction factor. The commissioner of revenue may, in computing the amount of the homestead and agricultural credit aid paid in 1990, adjust the gross tax capacity, net tax capacity, and gross taxes of a taxing jurisdiction for taxes payable in 1989 to reflect auditor's errors in computing taxes payable for 1989 in unique taxing jurisdictions within independent school district Nos. 720 and 792. Homestead and agricultural credit aid cannot be less than zero.

(b)(1) The homestead and agricultural credit aid is allocated to each local

government levying taxes in the unique taxing jurisdiction in the proportion that the local government's gross taxes bears to the total gross taxes levied within the unique taxing jurisdiction.

(2) The 1990 homestead and agricultural credit aid so determined for school districts for purposes of general education levies pursuant to section 124A.23, subdivisions 2 and 2a, and transportation levies pursuant to section 275.125, subdivisions 5 and 5c, shall be multiplied by the ratio of the adjusted gross tax capacity based upon the 1988 adjusted gross tax capacity to the estimated 1987 adjusted gross tax capacity based upon the 1987 adjusted assessed value.

~~(3) If a local government's total tax capacity rate for all funds for taxes payable in 1989 varies within the area in which it exercises taxing authority, the local government's allocated homestead and agricultural credit aid must be further allocated between the part of its levy in respect to which the tax capacity rate is constant throughout the area in which it exercises taxing authority and the part of its levy in respect to which the tax capacity rate varies throughout the area in which it exercises taxing authority.~~

(c) The calendar year 1990 homestead and agricultural credit aid shall be adjusted by the adjustment factor.

(d) Payments under this subdivision to counties in 1990 and subsequent years shall be reduced by the amount provided in section 477A.012, subdivisions 3, paragraph (d), and 4, paragraph (d).

(e) Payments under this subdivision to cities and towns shall be annually reduced by the amount of the homestead and agricultural credit aid adjustment, if any, determined for 1990 under section 477A.013, subdivision 6.

Sec. 11. Minnesota Statutes Second 1989 Supplement, section 273.1398, subdivision 5, is amended to read:

Subd. 5. [ADDITIONAL HOMESTEAD AND AGRICULTURAL CREDIT GUARANTEE.] Beginning with taxes payable in 1990, each unique taxing jurisdiction may receive additional homestead and agricultural credit guarantee payments.

(1) Each year, the commissioner shall determine the total education aids paid under chapters 124 and 124A, homestead and agricultural credit aid and disparity reduction aid paid under section 273.1398, local government aid to cities, counties, and towns paid under chapter 477A, ~~and~~ income maintenance aid *and, for aids paid in 1991 and thereafter, the amount paid under subdivision 5b* paid to counties for each taxing jurisdiction. The commissioner shall apportion each local government's aids to the unique taxing jurisdiction based upon the proportion that the unique taxing jurisdiction's tax capacity bears to the total tax capacity of the local government.

(2) Each year, the commissioner will compute a gross tax capacity rate for each taxing jurisdiction equal to its total levy divided by its gross tax capacity under Minnesota Statutes 1988, section 273.13. For each unique taxing jurisdiction, a total gross tax capacity rate will be determined. This total gross tax capacity rate will be applied against the gross tax capacity of property that would have been eligible for the homestead credit or the agricultural credit for taxes payable in 1989. An estimated credit amount will be determined for all qualifying parcels based upon the credit rate structure in effect for taxes payable in 1989. The resulting credit amounts will be summed for all parcels in the unique taxing jurisdiction.

If the amount determined in clause (2) is greater than the amount determined in clause (1), the difference will be additional homestead and agricultural credit guarantee payments for the unique taxing jurisdiction. The additional credit amount shall proportionately reduce the tax capacity rates of all local governments levying taxes within the unique taxing jurisdiction in the following year. The commissioner shall certify the amounts of additional credits determined under this subdivision to the county auditor at the time provided in subdivision 6.

Sec. 12. Minnesota Statutes Second 1989 Supplement, section 273.1398, subdivision 5a, is amended to read:

Subd. 5a. [AID ADJUSTMENT FOR COUNTY HUMAN SERVICES AID.] (a) There shall be transferred to the human services aid account from the payment to a county under subdivision 2 an amount representing a county's human services aid increase as calculated in subdivision 5b, paragraphs (a) to (c). The amount calculated for each county shall be deducted ~~from the first payment to the~~ *equally from the July and December payments to the county under this section in 1991 and subsequent years. If the deduction exceeds the amount of the first payment, the balance shall be subtracted from the second payment.* The amount of the payments under subdivision 2 shall not be less than zero as a result of this adjustment.

Sec. 13. Minnesota Statutes Second 1989 Supplement, section 273.1398, subdivision 6, is amended to read:

Subd. 6. [PAYMENT.] The commissioner shall certify the aids provided in subdivisions 2, 2b, 3, and 5 before December 1, 1989, and October 1 thereafter of the year preceding the distribution year to the county auditor of the affected local government and pay them and the credit reimbursements to local governments other than school districts at the times provided in section 477A.015 for payment of local government aid to taxing jurisdictions. Aids and credit reimbursements to school districts must be certified to the commissioner of education and paid under section 273.1392. Except for education districts and secondary cooperatives that receive revenue according to section 124.2721 or 124.575, payment shall not be made to any taxing jurisdiction that has ceased to levy a property tax ~~nor shall homestead and agricultural credit aid be payable on the part of a levy to which homestead and agricultural credit aid was separately allocated under subdivision 2, paragraph (b), clause (2), which is no longer levied.~~

Sec. 14. Minnesota Statutes 1988, section 273.42, subdivision 1, is amended to read:

Subdivision 1. The property set forth in section 273.37, subdivision 2, consisting of transmission lines of less than 69 kv and transmission lines of 69 kv and above located in an unorganized township, and distribution lines not taxed as provided in sections 273.38, 273.40 and 273.41 shall be taxed at the average *tax capacity* rate of taxes levied for all purposes throughout the county *after disparity reduction aid is applied*, and shall be entered on the tax lists by the county auditor against the owner thereof and certified to the county treasurer at the same time and in the same manner that other taxes are certified, and, when paid, shall be credited as follows: 50 percent to the general revenue fund of the county and 50 percent to the general school fund of the county, except that if there are high voltage transmission lines as defined in section 116C.52, the construction of which was commenced after July 1, 1974 and which are located in unorganized townships within the county, then the distribution of taxes within this

subdivision shall be credited as follows: 50 percent to the general revenue fund of the county, 40 percent to the general school fund of the county and ten percent to a utility property tax credit fund, which is hereby established.

Sec. 15. Minnesota Statutes 1988, section 274.01, subdivision 1, is amended to read:

Subdivision 1. [ORDINARY BOARD; MEETINGS, DEADLINES, GRIEVANCES.] (a) The town board of a town, or the council or other governing body of a city, is the board of review except in cities whose charters provide for a board of equalization. The county assessor shall fix a day and time when the board or the board of equalization shall meet in the assessment districts of the county. On or before February 15 of each year the assessor shall give written notice of the time to the city or town clerk. Notwithstanding the provisions of any charter to the contrary, the meetings must be held between April 1 and May 31 each year. The clerk shall give published and posted notice of the meeting at least ten days before the date of the meeting. The board shall meet at the office of the clerk to review the assessment and classification of property in the town or city. No changes in valuation or classification which are intended to correct errors in judgment by the county assessor may be made by the county assessor after the board of review or the county board of equalization has adjourned; however, corrections of errors that are merely clerical in nature or changes that extend homestead treatment to property are permitted after the board of review or the county board of equalization has adjourned. ~~This restriction does not apply to corrections of errors that are merely clerical or administrative in nature~~ adjournment until the tax extension date for that assessment year. The changes must be fully documented and maintained in the assessor's office and must be available for review by any person. A copy of the changes made during this period must be sent to the county board no later than December 31 of an assessment year.

(b) The board shall determine whether the taxable property in the town or city has been properly placed on the list and properly valued by the assessor. If real or personal property has been omitted, the board shall place it on the list with its market value, and correct the assessment so that each tract or lot of real property, and each article, parcel, or class of personal property, is entered on the assessment list at its market value. No assessment of the property of any person may be raised unless the person has been duly notified of the intent of the board to do so. On application of any person feeling aggrieved, the board shall review the assessment or classification, or both, and correct it as appears just.

(c) A local board of review may reduce assessments upon petition of the taxpayer but the total reductions must not reduce the aggregate assessment made by the county assessor by more than one percent. If the total reductions would lower the aggregate assessments made by the county assessor by more than one percent, none of the adjustments may be made. The assessor shall correct any clerical errors or double assessments discovered by the board of review without regard to the one percent limitation.

(d) A majority of the members may act at the meeting, and adjourn from day to day until they finish hearing the cases presented. The assessor shall attend, with the assessment books and papers, and take part in the proceedings, but must not vote. The county assessor, or an assistant delegated by the county assessor shall attend the meetings. The board shall list separately, on a form appended to the assessment book, all omitted property

added to the list by the board and all items of property increased or decreased, with the market value of each item of property, added or changed by the board, placed opposite the item. The county assessor shall enter all changes made by the board in the assessment book.

(e) If a person fails to appear in person, by counsel, or by written communication before the board after being duly notified of the board's intent to raise the assessment of the property, or if a person feeling aggrieved by an assessment or classification fails to apply for a review of the assessment or classification, the person may not appear before the county board of equalization for a review of the assessment or classification. This paragraph does not apply if an assessment was made after the board meeting, as provided in section 273.01, or if the person can establish not having received notice of market value at least five days before the local board of review meeting.

(f) The board of review or the board of equalization must complete its work and adjourn within 20 days from the time of convening stated in the notice of the clerk, unless a longer period is approved by the commissioner of revenue. No action taken after that date is valid. All complaints about an assessment or classification made after the meeting of the board must be heard and determined by the county board of equalization. A nonresident may, at any time, before the meeting of the board of review file written objections to an assessment or classification with the county assessor. The objections must be presented to the board of review at its meeting by the county assessor for its consideration.

Sec. 16. Minnesota Statutes Second 1989 Supplement, section 274.14, is amended to read:

274.14 [LENGTH OF SESSION; RECORD.]

The county board of equalization or the special board of equalization appointed by it shall meet during the last two weeks in June that contain ten meeting days, excluding Saturday and Sunday. No action taken by the county board of review after June 30 is valid, *except for corrections as permitted in sections 273.01 and 274.01*. The county auditor shall keep an accurate record of the proceedings and orders of the board. The record must be published like other proceedings of county commissioners. A copy of the published record must be sent to the commissioner of revenue, with the abstract of assessment required by section 274.16.

Sec. 17. Minnesota Statutes Second 1989 Supplement, section 274.175, is amended to read:

274.175 [VALUES FINALIZED.]

The assessments recorded by the county assessor and the county auditor under sections 273.124, subdivision 9; 274.16; 274.17; or other law for real and personal property are final on July 1 of the assessment year, except for property added to the assessment rolls under section 272.02, subdivision 4, or deleted because of tax forfeiture pursuant to chapter 281. No changes in value may be made after July 1 of the assessment year, *except for corrections as permitted in sections 273.01 and 274.01*.

Sec. 18. Minnesota Statutes Second 1989 Supplement, section 275.07, subdivision 3, is amended to read:

Subd. 3. The county auditor shall adjust each local government's levy certified under subdivision 1 by the amount of homestead and agricultural

credit aid certified by section 273.1398, subdivision 2, reduced by the amount under section 273.1398, subdivision 5a, and equalization aid certified by section 477A.013, subdivision 5. ~~If a local government's homestead and agricultural credit aid was further allocated between portions of its levy pursuant to section 273.1398, subdivision 2, paragraph (b)(2), the levy or fund to which the homestead and agricultural credit aid was allocated is the levy or fund which must be adjusted.~~

Sec. 19. Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5, is amended to read:

Subd. 5. Notwithstanding any other law to the contrary for taxes levied in 1989 payable in 1990 and subsequent years, "special levies" means those portions of ad valorem taxes levied by governmental subdivisions to:

(a) for taxes levied in 1990, payable in 1991 and subsequent years, pay the costs not reimbursed by the state or federal government, of payments made to or on behalf of recipients of aid under any public assistance program authorized by law, and the costs of purchase or delivery of social services. The aggregate amounts levied under this clause for the costs of purchase or delivery of social services and income maintenance programs, other than those identified in section 273.1398, subdivision 1, paragraph (i), are subject to a maximum increase over the amount levied for the previous year of 12 percent for counties within the metropolitan area as defined in section 473.121, subdivision 2, or counties outside the metropolitan area but containing a city of the first class, and 15 percent for other counties. For purposes of this clause, "income maintenance programs" include income maintenance programs in section 273.1398, subdivision 1, paragraph (i), to the extent the county provides benefits under those programs over the statutory mandated standards. Effective with taxes levied in 1990, the portion of this special levy for human service programs identified in section 273.1398, subdivision 1, paragraph (i), is eliminated;

(b) pay the costs of principal and interest on bonded indebtedness except on bonded indebtedness issued under section 471.981, subdivisions 4 to 4c, or to reimburse for the amount of liquor store revenues used to pay the principal and interest due in the year preceding the year for which the levy limit is calculated on municipal liquor store bonds;

(c) pay the costs of principal and interest on certificates of indebtedness, except tax anticipation or aid anticipation certificates of indebtedness, issued for any corporate purpose except current expenses or funding an insufficiency in receipts from taxes or other sources or funding extraordinary expenditures resulting from a public emergency; and to pay the cost for certificates of indebtedness issued pursuant to sections 298.28 and 298.282;

(d) fund the payments made to the Minnesota state armory building commission pursuant to section 193.145, subdivision 2, to retire the principal and interest on armory construction bonds;

(e) provide for the bonded indebtedness portion of payments made to another political subdivision of the state of Minnesota;

(f) pay the amounts required, in accordance with section 275.075, to correct for a county auditor's error of omission but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;

(g) pay amounts required to correct for an error of omission in the levy certified to the appropriate county auditor or auditors by the governing body of a city or town with statutory city powers in a levy year, but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;

(h) pay amounts required by law to be paid to pay the interest on and to reduce the unfunded accrued liability of public pension funds in accordance with the actuarial standards and guidelines specified in sections 356.215 and 356.216 reduced by 106 percent of the amount levied for that purpose in 1976, payable in 1977. For the purpose of this special levy, the estimated receipts expected from the state of Minnesota pursuant to sections 69.011 to 69.031 or any other state aid expressly intended for the support of public pension funds shall be considered as a deduction in determining the required levy for the normal costs of the public pension funds. No amount of these aids shall be considered as a deduction in determining the governmental subdivision's required levy for the reduction of the unfunded accrued liability of public pension funds;

(i) to compensate the state for the cost of a reassessment ordered by the commissioner of revenue pursuant to section 270.16;

(j) pay the debt service on tax increment financing revenue bonds to the extent that revenue to pay the bonds or to maintain reserves for the bonds is insufficient as a result of the provisions of Laws 1988, chapter 719, article 5;

(k) pay the cost of hospital care under section 261.21;

(l) pay the unreimbursed costs incurred in the previous year to satisfy judgments rendered against the governmental subdivision by a court of competent jurisdiction in any tort action, or to pay the costs of settlements out of court against the governmental subdivision in a tort action when substantiated by a stipulation for the dismissal of the action filed with the court of competent jurisdiction and signed by both the plaintiff and the legal representative of the governmental subdivision, provided that an appeal for the unreimbursed costs under this clause was approved by the commissioner of revenue under section 275.51, subdivision 3;

(m) pay the expenses reasonably and necessarily incurred in preparing for or repairing the effects of natural disaster including the occurrence or threat of widespread or severe damage, injury, or loss of life or property resulting from natural causes such as earthquake, fire, flood, wind storm, wave action, oil spill, water contamination, air contamination, or drought in accordance with standards formulated by the emergency services division of the state department of public safety, provided that an appeal for the expenses incurred under this clause were approved by the commissioner of revenue under section 275.51, subdivision 3;

(n) pay a portion of the losses in tax receipts to a city due to tax abatements or court actions in the year preceding the current levy year, provided that an appeal for the tax losses was approved by the commissioner of revenue under section 275.51, subdivision 3. This special levy is limited to the amount of the losses times the ratio of the nonspecial levies to total levies for taxes payable in the year the abatements were granted. County governments are not authorized to claim this special levy;

(o) pay the operating cost of regional library services authorized under section 134.34, subject to a maximum increase over the previous year of the greater of (1) 103 percent multiplied by one plus the percentage increase determined for the governmental subdivision under section 275.51, subdivision 3h, clause (b), or (2) six percent. If a governmental subdivision elected to include some or all of its levy for libraries within its adjusted levy limit base in the prior year, but elects to claim the levy as a special levy in the current levy year, the allowable increase is determined by applying the greater percentage determined under clause (1) or (2) to the total amount levied for libraries in the prior levy year. After levy year 1989, the increase must not be determined using a base amount other than the amount that could have been levied as a special levy in the prior year. In no event shall the special levy be less than the minimum levy required under sections 134.33 and 134.34, subdivisions 1 and 2;

(p) pay the amount of the county building fund levy permitted under section 373.40, subdivision 6;

(q) pay the county's share of the costs levied in 1989, 1990, and 1991 for the Minnesota cooperative soil survey under Minnesota Statutes 1988, section 40.07, subdivision 15;

(r) for taxes levied in 1989, payable in 1990 only, pay the cost incurred for the minimum share required by counties levying for the first time under section 134.34 as required under section 134.341. For taxes levied in 1990, and thereafter, counties levying under this provision must levy under clause (o), and their allowable increase must be determined with reference to the amount levied in 1989 under this paragraph;

(s) for taxes levied in 1989, payable in 1990 only, provide an amount equal to 50 percent of the estimated amount of the reduction in aids to a county under sections 273.1398, subdivision 2, paragraph (d), and 477A.012, subdivision 3, for aids payable in 1990;

(t) for taxes levied in 1990 only by a county in the eighth judicial district, provide an amount equal to the amount of the levy, if any, that is required under Laws 1989, chapter 335, article 3, section 54, subdivision 8;

(u) for taxes levied in 1989, payable in 1990 only, pay the costs not reimbursed by the state or federal government:

(i) for the costs of purchase or delivery of social services. The aggregate amounts levied under this item are subject to a maximum increase over the amount levied in the previous year of 12 percent for counties within the metropolitan area as defined in section 473.121, subdivision 2, or counties outside the metropolitan area but containing a city of the first class, and 15 percent for other counties.

(ii) for payments made to or on behalf of recipients of aid under any public assistance program authorized by law. The aggregate amounts levied under this item are subject to a maximum increase over the amount levied in the previous year of 12 percent and must be used only for the public assistance programs; and.

If the amount levied under this paragraph (u) in 1989 is less than the actual expenditures needed for these programs for 1990, the difference between the actual expenditures and the amount levied may be levied in 1990 as a special levy. If the amount levied in 1989 is greater than the actual expenditures needed for these programs for 1990, the difference

between the amount levied and the actual expenditures shall be deducted from the 1990 levy limit, payable in 1991; and

(v) pay an amount of up to 25 percent of the money sought for distribution and approved under section 115A.557, subdivision 3, paragraph (b), clause (3).

~~If the amount levied in 1989 is less than the actual expenditures needed for these programs for 1990, the difference between the actual expenditures and the amount levied may be levied in 1990 as a special levy. If the amount levied in 1989 is greater than the actual expenditures needed for these programs for 1990, the difference between the amount levied and the actual expenditures shall be deducted from the 1990 levy limit, payable in 1991.~~

Sec. 20. Minnesota Statutes Second 1989 Supplement, section 275.51, subdivision 3h, is amended to read:

Subd. 3h. [ADJUSTED LEVY LIMIT BASE.] For taxes levied in 1989 and thereafter, the adjusted levy limit base is equal to the levy limit base computed pursuant to subdivision 3f, increased by:

(a) three percent for taxes levied in 1989 and subsequent years;

(b) a percentage equal to (1) one-half of the greater of the percentage increases in population or in number of households, if any, for cities and towns and (2) the lesser of the percentage increase in population or the number of households, if any, for counties, using figures derived pursuant to subdivision 6;

(c) the amount of a permanent increase in the levy limit base approved at a general or special election held during the 12-month period ending ~~September 30~~ *four working days after December 20* of the levy year under section 275.58, subdivisions 1 and 2;

(d) for levy year 1989, for a county which incurred costs since October 1978, for the litigation of federal land claims under United States Code, title 18, section 1162; United States Code, title 25, section 331; and United States Code, title 28, section 1360; an amount of up to the actual costs incurred by the county for this purpose. This adjustment shall not exceed \$250,000;

(e) for levy year 1989, an amount of \$1,724,000 for Ramsey county for implementing the local government pay equity act under sections 471.991 to 471.999. Furthermore, in levy years 1990 and 1991, an additional amount of \$862,000 shall be added to Ramsey county's adjusted levy limit base under this clause for each of the two years; and

(f) for levy year 1989, an amount equal to the decrease in a county's 50 percent share of the powerline taxes extended between taxes payable years 1988 and 1989 under section 273.42, subdivision 1. The adjustment shall be determined by the department of revenue.

For taxes levied in 1989, the adjusted levy limit base is reduced by an amount equal to the estimated amount of the reduction in aids to a county under sections 273.1398, subdivision 2, paragraph (d), and 477A.012, subdivision 3, for aids payable in 1990.

Sec. 21. Minnesota Statutes Second 1989 Supplement, section 275.51, subdivision 6, is amended to read:

Subd. 6. [POPULATION AND HOUSEHOLD ESTIMATES.] For the purpose of determining the amount of tax that a governmental subdivision may levy in accordance with limitation established by this chapter, the population or the number of households of the governmental subdivision shall be that established by the last federal census, by a census taken pursuant to section 275.14, or by an estimate made by the metropolitan council, or by the state demographer made pursuant to section 116K.04, subdivision 4, whichever is the most recent as to the stated date of count or estimate, for the calendar year preceding the current levy year. *If the area included in a governmental subdivision has increased due to annexation in the 12 months prior to the most recent population estimate for the calendar year preceding the current levy year and the adjusted levy limit base is modified under section 275.54, subdivision 3, the percentage increases in population and households determined in subdivision 3h are to be based on the change in population and number of households in the area included in the governmental subdivision before the annexation.*

Sec. 22. Minnesota Statutes 1988, section 275.54, is amended by adding a subdivision to read:

Subd. 3. [ADJUSTMENTS AFTER ANNEXATION.] If the area included within the governmental subdivision is increased due to annexation in the 12 months prior to the most recent population estimate for the calendar year preceding the current levy year and the department of revenue makes an adjustment to the amount of aid received by the governmental subdivision under chapter 477A due to the annexation, the adjusted levy limit base of the governmental subdivision under section 275.51, subdivision 3h, will be adjusted in the following manner:

(a) A percentage will be calculated equal to the percentage increase in population in the governmental subdivision due to annexation determined by dividing the population of the annexed area by the population of the governmental subdivision excluding the annexed area, using population estimates for the calendar year preceding the current levy year.

(b) The adjusted levy limit base of the governmental subdivision under section 275.51, subdivision 3h, after giving effect to paragraphs (a) and (b) but before application of any other paragraphs in subdivision 3h, shall be increased by the percentage calculated in paragraph (a) of this subdivision.

For purposes of section 275.51, subdivision 3f, the term "adjusted levy limit base" includes the adjustment made under this subdivision for the preceding year.

Sec. 23. Minnesota Statutes Second 1989 Supplement, section 277.01, subdivision 1, is amended to read:

Subdivision 1. Except as provided in this subdivision, all unpaid personal property taxes shall be deemed delinquent on May 16 next after they become due or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later, and thereupon a penalty of eight percent shall attach and be charged upon all such taxes. In the case of unpaid personal property taxes due and owing under section 272.01, subdivision 2, or section 273.19 the first half shall become delinquent if not paid before May 16 or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later, and thereupon a penalty of eight percent shall attach on the unpaid first half; and the second half shall become delinquent if not paid before October 16, and thereupon

a penalty of eight percent shall attach on the unpaid second half. This section shall not apply to Class 2a property.

A county may provide by resolution that in the case of a property owner that has multiple personal property tax statements with the aggregate taxes exceeding \$50, payments may be made in installments as provided in this subdivision.

The county treasurer may accept payments of more or less than the exact amount of a tax installment due. If the accepted payment is less than the amount due, payments must be applied first to the penalty accrued for the year the payment is made. Acceptance of partial payment of tax does not constitute a waiver of the minimum payment required as a condition for filing an appeal under section 277.011 or any other law, nor does it affect the order of payment of delinquent taxes under section 280.39.

Sec. 24. Minnesota Statutes Second 1989 Supplement, section 277.02, is amended to read:

277.02 [DELINQUENT LIST FILED IN COURT.]

By June 15 of each year, the county treasurer shall make a list of all personal property taxes remaining delinquent May 16; and by *November 15 of each year the county treasurer shall make a list of all personal property taxable under section 272.01, subdivision 2, or section 273.19 remaining delinquent October 16.* The county treasurer shall immediately certify to and file ~~the same~~ *each* list with the court administrator of the district court of the county; ~~and~~. Upon ~~such~~ filing, the list shall be prima facie evidence that all of the provisions of law in relation to the assessment and levy of ~~such~~ taxes have been complied with.

Sec. 25. Minnesota Statutes Second 1989 Supplement, section 277.05, is amended to read:

277.05 [SHERIFF TO FILE LIST OF UNCOLLECTED TAXES.]

If the sheriff is unable, for want of goods and chattels whereon to levy, to collect by a distress, or otherwise, the taxes, or any part thereof, assessed upon the personal property of any persons, the sheriff shall file with the court administrator of the district court, on July 15 following, a list of such taxes; *The list shall be filed with an affidavit of the sheriff, or of the deputy sheriff entrusted with the collection thereof, stating that the affiant has made diligent search and inquiry for goods and chattels from which to collect such taxes, and is unable to collect the same. The list of such taxes as they apply to manufactured homes shall be filed on December 1 and the list of such taxes as they apply to property taxable under section 272.01, subdivision 2, or section 273.19 shall be filed on December 15.* The sheriff shall note on the margin of such list the place to which any delinquent taxpayer may have removed, with the date of removal, if known. At the time of filing the list the sheriff shall also return all the warrants with endorsements thereon showing the doings of the sheriff or deputy in the premises, and the court administrator shall file and preserve the same. On or before ~~September tenth~~ *July 25* thereafter, the court administrator shall deliver such list and affidavit to the county treasurer, who shall, by comparison of such list with the tax duplicates in the treasurer's office, ascertain whether or not all personal property taxes reported by the treasurer to the court administrator as delinquent, except those included in such list, have been paid into the treasurer's office, and shall attach to the list a certificate stating whether or not all taxes reported by the treasurer to the court

administrator as delinquent and not included in the list have been received, and stating the items of such taxes, if any, as have been received. The court administrator shall deliver such list and affidavit as they apply to manufactured homes on or before December 10 *and as they apply to property taxable under section 272.01, subdivision 2, or section 273.19 on or before December 24*. The treasurer shall deliver such list and affidavit, with the certificate attached, to the county board at its first session thereafter, which shall cancel such taxes as it is satisfied cannot be collected. A copy of the tax list so revised, and also a separate list of the taxes so canceled, shall be included in the records of the proceedings of the board, and published in full, as a part of the proceedings.

Sec. 26. Minnesota Statutes Second 1989 Supplement, section 277.06, is amended to read:

277.06 [CITATION TO DELINQUENTS; DEFAULT JUDGMENT.]

On September 5, or within ten days after the adjournment of the county board, whichever occurs first, the county auditor shall file a copy of such revised list with the court administrator of the district court. The county auditor shall file a copy of the revised list as it applies to manufactured homes on January 20 *and a copy of the revised list as it applies to property taxable under section 272.01, subdivision 2, or section 273.19 on February 15*. Within ten days after the list has been filed, the court administrator shall issue a citation to each delinquent named in the list, stating the amount of tax and penalty, and requiring such delinquent to appear on a day to be set by the district court in the county, appointed to be held at a time not less than 30 days after the issuance of such citation, and show cause, if any there be, why the delinquent should not pay the tax and penalty. The citation shall be delivered for service to the sheriff of the county where such person may at the time reside or be. If such person, after service of the citation, fails to pay such tax, penalty, and costs to the sheriff before the first day of the term, or on such day to show cause as aforesaid, the court shall direct judgment against the person for the amount of such tax, penalty, and costs. When unable to serve the citation, the sheriff shall return the same to the court administrator, with a return thereto to that effect, and thereupon, or if the court decides that the service of such citation made or attempted to be made, or the issuance thereof by the court administrator, was illegal, the court administrator shall issue another like citation, requiring such delinquent to appear on the first day of the next general term to be held in the county, and show cause as aforesaid, and if the delinquent fails to pay or to show cause, the court shall direct judgment as aforesaid. Whenever the sheriff has been unable to serve any such citation theretofore issued in any year or years, or whenever the court decides that the service of any such citation theretofore made or attempted to be made, or the issuance thereof by the court administrator, was illegal, the court administrator shall issue another like citation requiring such delinquent to appear, as in the case last provided, and with like effect; provided, that all citations other than the first shall be issued only on the request of the county attorney.

Sec. 27. Minnesota Statutes 1988, section 277.15, is amended to read:

277.15 [INTEREST.]

When a judgment has heretofore been entered and docketed, or shall hereafter be entered and docketed, for the recovery of taxes, except in the case of real estate tax judgments provided for in section 279.19, the same

shall bear interest until paid at the rate of six percent per annum until January 1, 1981, and at the rate determined under section 549.09 thereafter until January 1, 1991. Thereafter interest will be payable at the rate provided in section 279.03, subdivision 1a.

Sec. 28. Minnesota Statutes 1989 Supplement, section 279.01, subdivision 1, is amended to read:

Subdivision 1. Except as provided in subdivision 3, on May 16, of each year, with respect to property actually occupied and used as a homestead by the owner of the property, or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later, a penalty of three percent shall accrue and thereafter be charged upon all unpaid taxes on real estate on the current lists in the hands of the county treasurer, and a penalty of. The penalty shall be at a rate of three percent on homestead property and seven percent on nonhomestead property, except that. This penalty shall not accrue until June 1 of each year on commercial use real property used for seasonal residential recreational purposes and classified as class 1c or 4c, and on other commercial use real property classified as class 3a, provided that over 60 percent of the gross income earned by the enterprise on the class 3a property is earned during the months of May, June, July, and August. Any property owner of such class 3a property who pays the first half of the tax due on the property after May 15 and before June 1 shall attach an affidavit to the payment attesting to compliance with the income provision of this subdivision. Thereafter, for both homestead and nonhomestead property, on the first day of each month, up to and including October 1 following, an additional penalty of one percent for each month shall accrue and be charged on all such unpaid taxes. When the taxes against any tract or lot exceed \$50, one-half thereof may be paid prior to May 16 or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later; and, if so paid, no penalty shall attach; the remaining one-half shall be paid at any time prior to October 16 following, without penalty; but, if not so paid, then a penalty of four percent shall accrue thereon for homestead property and a penalty of four percent on nonhomestead property. Thereafter, for homestead property, on the first day of November and December following, an additional penalty of two percent for each month shall accrue and be charged on all such unpaid taxes. Thereafter, for nonhomestead property, on the first day of November and December following, an additional penalty of four percent for each month shall accrue and be charged on all such unpaid taxes. If one-half of such taxes shall not be paid prior to May 16 or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later, the same may be paid at any time prior to October 16, with accrued penalties to the date of payment added, and thereupon no penalty shall attach to the remaining one-half until October 16 following.

A county may provide by resolution that in the case of a property owner that has multiple tracts or parcels with aggregate taxes exceeding \$50, payments may be made in installments as provided in this subdivision.

The county treasurer may accept payments of more or less than the exact amount of a tax installment due. If the accepted payment is less than the amount due, payments must be applied first to the penalty accrued for the year the payment is made. Acceptance of partial payment of tax does not constitute a waiver of the minimum payment required as a condition for filing an appeal under section 278.03 or any other law, nor does it affect the order of payment of delinquent taxes under section 280.39.

Sec. 29. Minnesota Statutes 1988, section 279.03, is amended by adding a subdivision to read:

Subd. 1a. [RATE AFTER DECEMBER 31, 1990.] Interest on delinquent property taxes, penalties, and costs unpaid on or after January 1, 1991, shall be payable at the per annum rate determined in section 270.75, subdivision 5. If the rate so determined is less than ten percent, the rate of interest shall be ten percent. The maximum per annum rate shall be 14 percent if the rate per section 270.75, subdivision 5, exceeds 14 percent. The rate shall be subject to change on January 1 of each year.

Sec. 30. Minnesota Statutes 1988, section 279.03, subdivision 2, is amended to read:

Subd. 2. [COMPOSITE JUDGMENT.] Amounts included in composite judgment, as judgments authorized by section 279.37, subdivision 1, and confessed on or after July 1, 1982, are subject to interest at the rate determined pursuant to section 549.09. Amounts confessed under this authority after December 31, 1990, are subject to interest at the rate calculated under subdivision 1a. During each calendar year, interest shall accrue on the unpaid balance of the composite judgment from the time it was confessed until it is paid. The rate of interest is subject to change each year in the same manner that section 549.09 provides or subdivision 1a, whichever is applicable, for rate changes on judgments. Interest on the unpaid contract balance on judgments confessed before July 1, 1982, is payable at the rate applicable to the judgment at the time that it was confessed.

Sec. 31. Minnesota Statutes 1988, section 279.37, subdivision 1a, is amended to read:

Subd. 1a. The delinquent taxes upon a parcel of property which was classified class 4c pursuant to section 273.13, subdivision 9, or for taxes assessed in 1986 and thereafter, classified class 3a, for the previous year's assessment and had a total market value of less than \$100,000 for that same assessment shall be eligible to be composed into a confession of judgment. Property qualifying under this subdivision shall be subject to the same provisions as provided in this section except as herein provided.

(a) The down payment shall include all special assessments due in the current tax year, all delinquent special assessments, and 20 percent of the ad valorem tax, penalties, and interest accrued against the parcel. The balance remaining shall be payable in four equal annual installments; and

(b) The amounts entered in judgment shall bear interest at the rate provided in section 270.75, subdivision 5, commencing with the date the judgment is entered. The interest rate is subject to change each year on the unpaid balance in the manner provided in section 270.75, subdivision 5, except that the interest change will be implemented on January 1 of each year.

If the rate so determined is less than ten percent, the rate of interest shall be ten percent. The maximum per annum rate shall be 14 percent if the rate in section 270.75, subdivision 5, exceeds 14 percent.

Sec. 32. Minnesota Statutes 1989 Supplement, section 282.01, subdivision 1, is amended to read:

Subdivision 1. [CLASSIFICATION; USE; EXCHANGE.] It is the general policy of this state to encourage the best use of tax-forfeited lands, recognizing that some lands in public ownership should be retained and

managed for public benefits while other lands should be returned to private ownership. All Parcels of land becoming the property of the state in trust under the provisions of any law now existing or hereafter enacted declaring the forfeiture of lands to the state for taxes, shall be classified by the county board of the county ~~wherein such~~ *in which the parcels lie as conservation or nonconservation. Such* ~~In making the classification shall be made with consideration, among other things, to the board shall consider~~ the present use of adjacent lands, the productivity of the soil, the character of forest or other growth, accessibility of lands to established roads, schools, and other public services, their peculiar suitability or desirability for particular uses and the suitability of the forest resources on the land for multiple use, sustained yield management. ~~Such~~ *The* classification, furthermore, ~~shall aid to~~ *must* encourage and foster a mode of land utilization that will facilitate the economical and adequate provision of transportation, roads, water supply, drainage, sanitation, education, and recreation; ~~to~~ facilitate reduction of governmental expenditures; ~~to~~ conserve and develop the natural resources; and ~~to~~ foster and develop agriculture and other industries in the districts and places best suited ~~thereto to them.~~

In making ~~such the~~ *the* classification the county board may ~~make use of such data and information as may be~~ made available by any office or department of the federal, state, or local governments, or by any other person or agency possessing *pertinent* information ~~pertinent thereto~~ at the time ~~such the~~ classification is made. ~~Such~~ *The* lands may be reclassified from time to time as the county board may ~~deem~~ *consider* necessary or desirable, except ~~as to~~ for conservation lands held by the state free from any trust in favor of any taxing district.

If ~~any such the~~ lands are located within the boundaries of ~~any an~~ organized town, with taxable valuation in excess of \$20,000, or incorporated municipality, the classification or reclassification and sale ~~shall~~ *must* first be approved by the town board of ~~such the~~ town or the governing body of ~~such the~~ municipality ~~insofar as in which the lands are located therein are concerned.~~ The town board of the town or the governing body of the municipality ~~will be deemed~~ *is considered* to have approved the classification or reclassification and sale if the county board is not notified of the disapproval of the classification or reclassification and sale within 90 days of the date the request for approval was transmitted to the town board of the town or governing body of the municipality. If the town board or governing body desires to acquire any parcel lying in the town or municipality by procedures authorized in this subdivision, it ~~shall, within 90 days of the request for classification or reclassification and sale,~~ *must* file a written application with the county board to withhold the parcel from public sale. ~~The application must be filed within 90 days of the request for classification or reclassification and sale.~~ The county board shall then withhold the parcel from public sale for one year.

Subd. 1a. [CONVEYANCE; GENERALLY.] ~~Any~~ Tax-forfeited lands may be sold by the county board to ~~any an~~ organized or incorporated governmental subdivision of the state for any public purpose for which ~~such the~~ subdivision is authorized to acquire property or may be released from the trust in favor of the taxing districts ~~upon~~ *on* application of ~~any a~~ state agency for ~~any an~~ authorized use at not less than their value as determined by the county board. The commissioner of revenue may convey by deed in the name of the state ~~any a~~ tract of tax-forfeited land held in trust in favor of the taxing districts, to ~~any a~~ governmental subdivision for ~~any an~~

authorized public use, ~~provided that if~~ an application is submitted to the commissioner ~~with which includes~~ a statement of facts as to the use to be made of the tract and the need therefor and the recommendation of the county board. ~~The commissioner of revenue shall convey by deed in the name of the state any tract of tax-forfeited land held in trust in favor of the taxing districts, to a political subdivision that submits an application to the commissioner of revenue and the county board. The application must include a resolution, adopted by the governing body of the political subdivision, finding that the conveyance of a tract of tax-forfeited land to the political subdivision is necessary to provide for the redevelopment of land as productive taxable property.~~

Subd. 1b. [DEED OF CONVEYANCE.] The deed of conveyance ~~shall~~ ~~must~~ be ~~upon~~ ~~on~~ a form approved by the attorney general and ~~shall~~ ~~must~~ be conditioned ~~upon~~ ~~on~~ continued use for the purpose stated in the application, ~~provided, however, that.~~ If, ~~however,~~ the governing body of ~~such~~ ~~the~~ governmental subdivision by resolution determines that some other public use ~~shall~~ ~~should~~ be made of ~~such~~ ~~the~~ lands, and ~~such~~ ~~the~~ change of use is approved by the county board and an application for ~~such~~ change of use is made to, and approved by, the commissioner, ~~such~~ ~~the~~ changed use may be made of ~~such~~ lands without the necessity of the governing body conveying the lands back to the state and securing a new conveyance ~~from the state to the governmental subdivision for such~~ ~~the~~ new public use.

Subd. 1c. [FAILURE TO USE; CONVEYANCE TO STATE.] ~~Whenever~~ ~~any~~ When a governmental subdivision to which ~~an~~ tax-forfeited land has been conveyed for a specified public use as provided in this section ~~shall~~ ~~fail~~ ~~fails~~ to put ~~such~~ ~~the~~ land to ~~such~~ ~~that~~ use, or to some other authorized public use as provided ~~herein~~ ~~in~~ ~~this~~ ~~section~~, or ~~shall~~ ~~abandon~~ ~~such~~ ~~abandons~~ that use, the governing body of the subdivision shall authorize the proper officers to convey the ~~same~~ ~~land~~, or ~~such~~ ~~portion~~ ~~thereof~~ ~~the~~ ~~part~~ of the land not required for an authorized public use, to the state of Minnesota, ~~and~~ ~~such~~. The officers shall execute a deed of ~~such~~ conveyance ~~forthwith, which~~ ~~immediately~~. The conveyance ~~shall~~ ~~be~~ is subject to the approval of the commissioner and ~~in~~ its form ~~must~~ be approved by the attorney general, ~~provided, however, that.~~ A sale, lease, transfer or other conveyance of ~~such~~ tax-forfeited lands by a housing and redevelopment authority, a port authority, an economic development authority, or a city as authorized by chapter 469 ~~shall~~ ~~not~~ ~~be~~ is not an abandonment of ~~such~~ use and ~~such~~ the lands shall not be reconveyed to the state nor shall they revert to the state. A certificate made by a housing and redevelopment authority, a port authority, an economic development authority, or a city referring to a conveyance by it and stating that the conveyance has been made as authorized by chapter 469 may be filed with the county recorder or registrar of titles, and the rights of reverter in favor of the state provided by this subdivision ~~1e~~ will then terminate. No vote of the people ~~shall~~ ~~be~~ is required for ~~such~~ ~~the~~ conveyance.

Subd. 1d. [REVERSION.] ~~In~~ ~~case~~ ~~any~~ ~~such~~ If the tax-forfeited land ~~shall~~ is not ~~be~~ so conveyed to the state in accordance with subdivision 1c, the commissioner of revenue shall by written instrument, in form approved by the attorney general, declare the ~~same~~ ~~land~~ to have reverted to the state, and shall serve a notice ~~thereof~~ of reversion, with a copy of the declaration, by certified mail upon the clerk or recorder of the governmental subdivision concerned, ~~provided, that.~~ No declaration of reversion shall be made earlier than five years from the date of conveyance for failure to put ~~such~~ land to

~~such the use specified~~ or from the date of abandonment of ~~such that use~~ if ~~such the lands~~ have been put to ~~such that use~~. The commissioner shall file the original declaration in the commissioner's office, with verified proof of service as ~~herein required~~. The governmental subdivision may appeal to the district court of the county in which the land lies by filing with the court administrator a notice of appeal, specifying the grounds of appeal and the description of the land involved, mailing a copy ~~thereof of the notice of appeal~~ by certified mail to the commissioner of revenue, and filing a copy ~~thereof~~ for record with the county recorder or registrar of titles, all within 30 days after the mailing of the notice of reversion. The appeal shall be tried by the court in like manner as a civil action. If no appeal is taken as herein provided ~~in this subdivision~~, the declaration of reversion ~~shall be~~ *is* final. The commissioner of revenue shall file for record with the county recorder or registrar of titles, of the county within which the land lies, a certified copy of the declaration of reversion and proof of service.

Subd. 1e. [EXCHANGE.] ~~Any~~ A city of the first class ~~now or hereafter having with~~ a population of 450,000, or over, or its board of park commissioners, which has acquired tax-forfeited land for a specified public use ~~pursuant to the terms of under~~ this section, may convey ~~said the~~ land in exchange for other land of substantially equal worth located in ~~said the~~ city of the first class, ~~provided that~~. The land conveyed to ~~said the~~ city of the first class ~~now or hereafter having~~ a population of 450,000, or over, or its board of park commissioners, in exchange ~~shall be~~ *is* subject to the public use and reversionary provisions of this section; The tax-forfeited land so conveyed ~~shall is~~ thereafter be free and discharged from the public use and reversionary provisions of this section, ~~provided that said~~. *The* exchange shall in no way affect the ~~mineral or~~ mineral rights of the state of Minnesota, if any, in the lands so exchanged.

Sec. 33. Minnesota Statutes 1988, section 282.01, subdivision 4, is amended to read:

Subd. 4. [CONDUCT OF SALE.] The sale shall be conducted by the county auditor at the county seat of the county in which the parcels lie, provided that, in St. Louis and Koochiching counties, the sale may be conducted in any county facility within the county, and the parcels shall be sold for cash only and at not less than the appraised value, unless the county board of the county shall have adopted a resolution providing for their sale on terms, in which event the resolution shall control with respect thereto. When the sale is made on terms other than for cash only a payment of at least ten percent of the purchase price must be made at the time of purchase, thereupon the balance shall be paid in no more than ten equal annual installments. No standing timber or timber products shall be removed from these lands until an amount equal to the appraised value of all standing timber or timber products on the lands at the time of purchase has been paid by the purchaser; provided, that in case any parcel of land bearing standing timber or timber products is sold at public auction for more than the appraised value, the amount bid in excess of the appraised value shall be allocated between the land and the timber in proportion to the respective appraised values thereof, and no standing timber or timber products shall be removed from the land until the amount of the excess bid allocated to timber or timber products has been paid in addition to the appraised value thereof. The purchaser is entitled to immediate possession, subject to the provisions of any existing valid lease made in behalf of the state.

For sales occurring on or after July 1, 1982, the unpaid balance of the purchase price is subject to interest at the rate determined pursuant to section 549.09. *The unpaid balance of the purchase price for sales occurring after December 31, 1990, is subject to interest at the rate determined in section 279.03, subdivision 1a.* The interest rate is subject to change each year on the unpaid balance in the manner provided for rate changes in section 549.09 ~~for rate changes on judgments or section 279.03, subdivision 1a, whichever is applicable.~~ Interest on the unpaid contract balance on sales occurring before July 1, 1982, is payable at the rate applicable to the sale at the time that the sale occurred.

Sec. 34. Minnesota Statutes 1988, section 282.261, subdivision 2, is amended to read:

Subd. 2. [INTEREST RATE.] The unpaid balance on any repurchase contract approved by the county board on or after July 1, 1982, is subject to interest at the rate determined pursuant to section 549.09. *Repurchase contracts approved after December 31, 1990, are subject to interest at the rate determined in section 279.03, subdivision 1a.* The interest rate is subject to change each year on the unpaid balance in the manner provided for rate changes in section 549.09 ~~for rate changes on judgments or section 279.03, subdivision 1a, whichever is applicable.~~ Interest on the unpaid contract balance on repurchases approved before July 1, 1982, is payable at the rate applicable to the repurchase contract at the time that it was approved.

Sec. 35. Minnesota Statutes 1988, section 287.21, subdivision 2, is amended to read:

Subd. 2. The proceeds of the taxes levied and collected under sections 287.21 to 287.36 ~~on or after July 1, 1985,~~ shall be ~~credited~~ *apportioned, 97 percent to the county revenue general fund of the state, and three percent to the county revenue fund.*

Sec. 36. Minnesota Statutes Second 1989 Supplement, section 287.29, subdivision 1, is amended to read:

Subdivision 1. On or before the tenth day of each month, the county treasurer shall determine and pay to the commissioner of revenue for deposit in the state treasury and credit to the general fund *the state's portion of* the receipts from the sale of documentary stamps during the preceding month. The county treasurer shall provide any related reports requested by the commissioner of revenue.

Sec. 37. Minnesota Statutes Second 1989 Supplement, section 290A.045, subdivision 6, is amended to read:

Subd. 6. [ADMINISTRATION.] Sections 290A.10, 290A.11, 290A.111, 290A.112, 290A.12, 290A.14, 290A.15, 290A.17, 290A.18, and 290A.20, including the penalties imposed on the claimants and tax return preparers in those sections, apply to claims allowed under this section. The commissioner of revenue has the powers granted in those sections to administer the refund under this section.

Sec. 38. Minnesota Statutes 1988, section 290A.10, is amended to read:

290A.10 [PROOF OF TAXES PAID.]

Every claimant who files a claim for relief for property taxes payable shall include with the claim a property tax statement or a reproduction

thereof in a form deemed satisfactory by the commissioner of revenue indicating that there are no delinquent property taxes on the ~~homestead~~ *property*. Indication on the property tax statement from the county treasurer that there are no delinquent taxes on the ~~homestead~~ *property* shall be sufficient proof. Taxes included in a confession of judgment under section 279.37 shall not constitute delinquent taxes as long as the claimant is current on the payments required to be made under section 279.37. *For the commercial industrial equalization refund payable under section 290A.045, the notice of eligibility from the county treasurer shall be sufficient proof that the tax on the property has been paid.*

Sec. 39. Minnesota Statutes 1989 Supplement, section 298.28, subdivision 4, is amended to read:

Subd. 4. [SCHOOL DISTRICTS.] (a) 27.5 cents per taxable ton plus the increase provided in paragraph (d) must be allocated to qualifying school districts to be distributed, based upon the certification of the commissioner of revenue, under paragraphs (b) and (c).

(b) 5.5 cents per taxable ton must be distributed to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The distribution must be based on the apportionment formula prescribed in subdivision 2.

(c)(i) 22 cents per taxable ton, less any amount distributed under paragraph (e), shall be distributed to a group of school districts comprised of those school districts in which the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 in direct proportion to school district indexes as follows: for each school district, its pupil units determined under section 124.17 for the prior school year shall be multiplied by the ratio of the average adjusted net tax capacity per pupil unit for school districts receiving aid under this clause as calculated pursuant to chapter 124A for the school year ending prior to distribution to the adjusted net tax capacity per pupil unit of the district. Each district shall receive that portion of the distribution which its index bears to the sum of the indices for all school districts that receive the distributions.

(ii) Notwithstanding clause (i), each school district that receives a distribution under sections 298.018; 298.23 to 298.28, exclusive of any amount received under this clause; 298.34 to 298.39; 298.391 to 298.396; 298.405; or any law imposing a tax on severed mineral values that is less than the amount of its levy reduction under section 275.125, subdivision 9, for the second year prior to the year of the distribution shall receive a distribution equal to the difference; the amount necessary to make this payment shall be derived from proportionate reductions in the initial distribution to other school districts under clause (i).

(d) On July 15, in years prior to 1988, an amount equal to the increase derived by increasing the amount determined by paragraph (c) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in paragraph (c) where a levy increase pursuant to section 124A.03, subdivision 2, is authorized by referendum, according to the following formula. On July 15, 1988, the increase over the amount established for 1987 shall be determined as if there had been an increase in the tax rate under section 298.24, subdivision 1, paragraph (b), according to the increase in the implicit price deflator.

On July 15, 1989, and subsequent years, the increase over the amount established for the prior year shall be determined according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1, paragraph (a). Each district shall receive the product of:

(i) \$150 times the pupil units identified in section 124.17, subdivision 1, enrolled in the second previous year or the 1983-1984 school year, whichever is greater, less the product of ~~0.04234~~ 1.8 percent times the district's taxable ~~market value~~ *net tax capacity* in the second previous year; times

(ii) the lesser of:

(A) one, or

(B) the ratio of the amount certified pursuant to section 124A.03, subdivision 2, in the previous year, to the product of ~~0.04234~~ 1.8 percent times the district's taxable ~~market value~~ *net tax capacity* in the second previous year.

If the total amount provided by paragraph (d) is insufficient to make the payments herein required then the entitlement of \$150 per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to paragraph (d) shall not be applied to reduce general education aid which the district receives pursuant to section 124A.23 or the permissible levies of the district. Any amount remaining after the payments provided in this paragraph shall be paid to the commissioner of iron range resources and rehabilitation who shall deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection trust fund as provided in subdivision 11.

(e) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

Sec. 40. Minnesota Statutes 1988, section 469.043, subdivision 5, is amended to read:

Subd. 5. [CONTINUATION OF REDEVELOPMENT COMPANY PROJECT PROVISIONS.] The provisions of Minnesota Statutes 1986, sections 462.591 to 462.705, shall continue in effect with respect to any ~~redevelopment company project~~ to which a tax exemption had been granted under Minnesota Statutes 1986, section 462.651, prior to August 1, 1987.

Sec. 41. Minnesota Statutes 1988, section 469.059, subdivision 11, is amended to read:

Subd. 11. [PROCEDURE.] Tax-forfeited lands in an industrial development district that are vested in the state shall be conveyed to the port authority that is developing the district for one dollar per tract. The port authority may use and later resell the land for purposes of sections 469.048 to 469.068.

In conveying tax-forfeited land to a port authority, the state may not retain a possibility of reverter or right of reentry as it does under section 282.01, subdivision 4 *1d*.

The commissioner of revenue shall convey tax-forfeited parcels in an industrial development district to the port authority, if the authority petitions for conveyance under sections 469.048 to 469.068 and pays one dollar per tract.

The attorney general shall approve the form of the deed of conveyance. The port authority shall receive absolute title to the tract, subject only to a reservation of minerals and mineral rights, under section 282.12. The deed of conveyance must not contain a restriction on the use of the premises. The conveyance divests the state of all further right, title, claim or interest in the tracts, except for the reservation of minerals and mineral rights.

Sec. 42. Minnesota Statutes 1989 Supplement, section 469.177, subdivision 1a, is amended to read:

Subd. 1a. [ORIGINAL TAX CAPACITY RATE.] At the time of the initial certification of the original net tax capacity for a tax increment financing district, the county auditor shall certify the original tax capacity rate that applies to the district. The original tax capacity rate is the sum of all the tax capacity rates that apply to a property in the district ~~for the taxes payable in the calendar year in which the initial certification of.~~ *The tax capacity rate to be certified is the rate in effect for the same taxes payable year applicable to the tax capacity values certified as the district's original net tax capacity is requested under subdivision 1.* If the total tax capacity rate applicable to properties in the tax increment financing district varies, the tax capacity rate must be computed by determining the average total tax capacity rate in the district, weighted on the basis of net tax capacity. The resulting tax capacity rate is the original tax capacity rate for the life of the district.

Sec. 43. Minnesota Statutes Second 1989 Supplement, section 473F08, subdivision 8a, is amended to read:

Subd. 8a. [FISCAL DISPARITIES ADJUSTMENT.] In any year in which the highest class rate for class 3a property changes from the rate in the previous year, the following adjustments shall be made to the procedures described in sections 473F06 to 473F08.

(1) An initial contribution tax capacity shall be determined for each municipality based on the previous year's class rates.

(2) Each jurisdiction's distribution tax capacity shall be determined based upon the areawide tax base determined by summing the tax capacities computed under clause (1) for all municipalities and apportioning the resulting sum pursuant to section 473F07, subdivision 5.

(3) Each jurisdiction's distribution levy shall be determined by applying the procedures described in subdivision 3, clause (a), to the distribution tax capacity determined pursuant to clause (2).

(4) Each municipality's final contribution tax capacity shall be determined equal to its initial contribution tax capacity multiplied by the ratio of the new highest class rate for class 3a property to the previous year's highest class rate for class 3a property.

(5) *For the purposes of computing education aids and any other state aids requiring the addition of the fiscal disparities distribution tax capacity to the local tax capacity, each municipality's final distribution tax capacity shall be determined equal to its initial distribution tax capacity multiplied by the ratio of the new highest class rate for class 3a property to the previous year's highest class rate for class 3a property.*

(6) The areawide tax capacity rate shall be determined by dividing the sum of the amounts determined in clause (3) by the sum of the values determined in clause (4).

(6) (7) The final contribution tax capacity determined in clause (4) shall also be used to determine the portion of each commercial/industrial property's tax capacity subject to the areawide tax capacity rate pursuant to subdivision 6.

Sec. 44. Minnesota Statutes 1989 Supplement, section 477A.011, subdivision 15, is amended to read:

Subd. 15. [CITY REVENUE.] "City revenue" equals the sum of (i) the city's aid payable under section 477A.013, *except for aid payable under section 477A.013, subdivision 5*, in the year prior to that for which aids are being calculated, and (ii) its levy for taxes payable in the year prior to that for which aids are being calculated.

Sec. 45. Minnesota Statutes 1988, section 477A.011, is amended by adding a subdivision to read:

Subd. 26. [LEVY.] "*Levy*" means the levy as defined in section 275.07, subdivision 1, including the fiscal disparities distribution levy.

Sec. 46. Minnesota Statutes Second 1989 Supplement, section 477A.013, subdivision 3, is amended to read:

Subd. 3. [CITY AID DISTRIBUTION.] In 1989, a city whose initial aid is greater than \$0 will receive the following aid increases in addition to an amount equal to the local government aid it received in 1988 under Minnesota Statutes 1987 Supplement, section 477A.013:

(1) for a city whose expenditure/unlimited aid ratio is at least 1.5, two percent of city revenue;

(2) for a city whose expenditure/unlimited aid ratio is at least 1.4 but less than 1.5, 2.5 percent of city revenue;

(3) for a city whose expenditure/unlimited aid ratio is at least 1.3 but less than 1.4, three percent of city revenue;

(4) for a city whose expenditure/unlimited aid ratio is at least 1.2 but less than 1.3, four percent of city revenue;

(5) for a city whose expenditure/unlimited aid ratio is at least 1.1 but less than 1.2, five percent of city revenue;

(6) for a city whose expenditure/unlimited aid ratio is at least 1.05 but less than 1.1, six percent of city revenue;

(7) for a city whose expenditure/unlimited aid ratio is at least 1.0 but less than 1.05, seven percent of city revenue;

(8) for a city whose expenditure/unlimited aid ratio is at least .95 but less than 1.0, 7.5 percent of city revenue;

(9) for a city whose expenditure/unlimited aid ratio is at least .75 but less than .95, 8.5 percent of city revenue; and

(10) for a city whose expenditure/unlimited aid ratio is less than .75, nine percent of city revenue.

In 1990, a city whose initial aid is greater than \$0 will receive an amount equal to the aid it received under this section in the year prior to that for which aids are being calculated plus an aid increase equal to 50 percent of the rates listed in clauses (1) to (10) multiplied by city revenue.

In 1991 and subsequent years, a city whose initial aid is greater than \$0

will receive an amount equal to the aid it received under this section in the year prior to that for which aids are being calculated plus an aid increase equal to 25 percent of the rates listed in clauses (1) to (10) multiplied by city revenue.

A city's aid increase under this subdivision is limited to the lesser of (1) 20 percent of its levy for taxes payable in the year prior to that for which aids are being calculated ~~after the adjustments provided in section 273.1398, subdivision 2,~~ or (2) its initial aid amount, or (3) 15 percent of the total amount received under this section in the previous year, provided that no city will receive an increase that is less than two percent of its 1989 local government aid for aids payable in 1990.

A city whose initial aid is \$0 will receive in 1990 an amount equal to 102 percent of the local government aid it received in 1989 under Minnesota Statutes 1988, section 477A.013. A city whose initial aid is \$0 will receive in 1991 and subsequent years an amount equal to the aid it received in the previous year under this section. For purposes of this subdivision, the term "local government aid" includes equalization aid for aids payable in 1991 and thereafter.

Sec. 47. Laws 1989, First Special Session chapter 1, article 3, section 35, is amended to read:

Sec. 35. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment and is intended to confirm and clarify the original intent of the legislature in the taxation and equalization of state-assessed public utility property.

Sections 2 ~~and~~, 7, ~~and~~ 23 are effective for taxes payable in 1991 and thereafter.

Sections 3, 5, 8, 11, 12, ~~23~~, 26, and 28 are effective for taxes payable in 1990 and thereafter.

Section 4 is effective January 1, 1989.

Sections 6, 9, 21, 29 to 32, and 34 are effective the day following final enactment.

Section 10 is effective for taxes levied in 1989, payable in 1990 and thereafter, provided that cooperatives that qualified under Minnesota Statutes, section 273.124, subdivision 6, on January 2, 1989, shall meet the board membership requirements of paragraph (a) by December 1, 1989, and shall meet the requirements of section 501(c)(3) or 501(c)(4) status under the Internal Revenue Code in the first paragraph and in paragraph (e) by January 1, 1990, and that the notice and filing requirements of paragraphs (f) and (g) shall apply only to leasehold cooperatives created later than 60 days after the date of enactment of this act.

Sections 13, 19, and 20 are effective January 1, 1991.

Section 14, paragraph (i), clauses (1) to (12), are effective for aids paid in 1991 and thereafter. The rest of section 14 and sections 15, 17, 18, and 22 are effective for aids paid in 1990 and thereafter, except as otherwise provided in those sections.

Section 16 is effective for aids payable in 1991 and thereafter.

Sections 24 and 25 are effective for mortgage registration and deed taxes collected after November 30, 1990.

Section 27 is effective for taconite produced in 1989, proceeds distributed in 1990, and thereafter.

Section 33 is effective July 1, 1991.

Sec. 48. Laws 1989, First Special Session chapter 1, article 9, section 86, is amended to read:

Sec. 86. [EFFECTIVE DATES.]

Section 5 is effective for school district referenda held after July 15, 1990, for property taxes levied in 1990, payable in 1991, and thereafter.

Sections 1 to 4, 6 to 8, 10 to 12, 17, 19 to 21, 26 to 30, 41 to 46, 48, 50 to 52, 51, and 66 to 77 are effective for taxes levied in 1990, payable in 1991, and thereafter.

The part of section 9 changing the meeting date of the state board of equalization is effective for taxes levied in 1990, payable in 1991, and thereafter. The rest of section 9 and sections 13 to 16, 22 to 25, 78, and 82, 84, and 85 are effective the day following final enactment.

Section 18 is effective for sales after January 1, 1990.

Sections 31 to 38 and 40 are effective for taxes levied in 1990, payable in 1991, and thereafter, except as otherwise provided.

Sections 39, 47, 49, 52, 54 to 64, 79, and 80 are effective for property taxes levied in 1989, payable in 1990, and thereafter.

Section 53 is effective for property taxes levied in 1989, payable in 1990, and thereafter, except that the provision requiring certification of aids by September 1, is effective for taxes levied in 1990, payable in 1991, and thereafter.

Sections 65 and 81 are effective July 1, 1990.

Section 83 is effective only for taxes levied in 1989, payable in 1990.

Sec. 49. [1990 TAX PAYMENTS.]

The amendment of Minnesota Statutes Second 1989 Supplement, section 277.01, subdivision 1, in section 23 does not require sending of revised tax statements for taxes payable in 1990 by the county auditor, but payments of taxes by the dates provided in that section shall be accepted as timely paid.

Sec. 50. [REPEALER.]

Minnesota Statutes 1988, section 272.70, is repealed.

Sec. 51. [EFFECTIVE DATE.]

Sections 1, 4, 6, 15 to 17, 32, 40, 41, and 47 to 49 are effective the day following final enactment.

Sections 2, 5, 7 to 10, 13, 14, 18 to 20, 23 to 26, 28, 37, 38, and 42 to 46 are effective for taxes levied in 1989 and thereafter, payable in 1990 and thereafter.

Sections 11, 12, 27, 29 to 31, 33, and 34 are effective January 1, 1991.

Sections 3, 21, and 22 are effective for taxes levied in 1990 and thereafter, payable in 1991 and thereafter.

Sections 35 and 36 are effective for deed taxes collected after November

30, 1990.

Section 39 is effective for production years 1989 and thereafter, taxes payable in 1990 and thereafter.

ARTICLE 2

PROPERTY TAX SYSTEM CONVERSIONS

Section 1. Minnesota Statutes 1989 Supplement, section 38.18, is amended to read:

38.18 [COUNTY FAIRGROUNDS, IMPROVEMENT AIDED.]

Any town, statutory city, or school district in this state, now or hereafter having a ~~net tax capacity~~ *market value* of all its taxable property, exclusive of money and credits, of more than ~~\$25,000,000~~ *\$105,000,000*, and having a county fair located within its corporate limits, is hereby authorized to aid in defraying part of the expense of improving any such fairground, by appropriating and paying over to the treasurer of the county owning the fairground such sum of money, not exceeding \$10,000, for each of the political subdivisions, as the governing body of the town, statutory city, or school district may, by resolution, determine to be for the best interest of the political subdivision, the sums so appropriated to be used solely for the purpose of aiding in the improvement of the fairground in such manner as the county board of the county shall determine to be for the best interest of the county.

Sec. 2. Minnesota Statutes 1989 Supplement, section 50.14, subdivision 4, is amended to read:

Subd. 4. Class three shall be:

(a) The bonds, certificates of indebtedness, or other interest bearing obligations, payable out of a levy of ad valorem taxes, of any county, city, town, or any school district, drainage district, or other district, or of any board of any municipality, or of any public authority, created pursuant to law for public purposes in Minnesota, without regard to any debt limits other than those in section 475.53;

(b) The bonds, certificates of indebtedness or other interest bearing obligations, payable out of a levy of ad valorem taxes, of any county, city, town, or school, drainage or other district, or public authority, created pursuant to law for public purposes in any state of the United States other than Minnesota, provided that the total bonded indebtedness of the county, municipality, district or authority, after deducting the amount of all sinking funds and of all revenue bonds or certificates (including among revenue bonds and certificates those which pledge the full faith and credit of the issuer, if the net revenues applicable to the payment of the bonds or certificates during the three fiscal years immediately preceding the date of purchase exceeded by at least five percent the amount required to pay principal and interest on those bonds or certificates during that period), shall not exceed ten percent of its ~~net tax capacity~~ *assessed value*; and provided further that if the county, municipality, district or authority is of any state other than Iowa, Wisconsin, North Dakota, or South Dakota, it contains at least 3,500 inhabitants;

(c) The bonds, certificates or other interest bearing obligations, payable out of special revenues, of any county, city, town, or school, drainage, or other district, or public authority, created pursuant to law for public purposes

in any state of the United States, provided that:

(aa) If the county, municipality, district or authority is of any state other than Minnesota, it contains at least 3,500 inhabitants;

(bb) The obligations were issued to finance the purpose of construction of or addition to a public enterprise furnishing water, sewer, lighting, power, gas, or road facilities, from which revenue is to be derived;

(cc) The governing body or other legally constituted authority has covenanted or is required by law to establish and maintain rates to yield sufficient revenue for the payment of operating expenses, maintenance expenses, and principal and interest on the revenue obligations and to pledge that revenue irrevocably for those purposes;

(dd) At the date of investment the public enterprise has been in operation for at least three years; and

(ee) During the preceding three fiscal years its annual net earnings, after payment of operating expenses and maintenance expenses, have been on the average at least 1-1/4 times the average annual interest, principal and sinking fund requirements on the revenue obligations during the period from the end of its most recent fiscal year to the final maturity of the obligations; and

(d) The bonds or other interest bearing obligations, payable from revenues other than ad valorem taxes as contemplated in clause (a), validly issued by any state or insular possession of the United States, or by any agency, instrumentality, municipality, or governmental or public subdivision, district, corporation, commission, board, council, or authority of whatsoever kind, created for public purposes by or pursuant to the laws of any state, provided that the bonds or other interest bearing obligations are at the time of purchase rated among the highest three quality categories, not applicable to bonds or other interest bearing obligations in default as to principal, used by a nationally recognized rating agency for rating the quality of similar bonds or other interest bearing obligations, and are not rated lower by any other such agency.

Sec. 3. Minnesota Statutes 1989 Supplement, section 110.70, is amended to read:

110.70 [APPLICATION.]

Nothing in sections 110.55 to 110.69 shall amend, alter, supersede, or otherwise change the provisions set forth in section 110.13. The provisions of sections 110.55 to 110.69 shall in no manner apply to public waters of an area of more than 10,000 acres, situated wholly or partially within counties now or hereafter having a population of more than 450,000 and a ~~net tax capacity~~ *market value* of more than ~~\$450,000,000~~ *\$1,860,000,000*, including money and credits, and in which is situated a city of the first class within a distance of 20 miles from the body of public water; and, as to such public waters, nothing contained in sections 110.55 to 110.69 shall be construed to authorize the diversion of any water from any stream, river, or lake located in any county adjoining or abutting in part upon the county wherein a major portion of such public waters is located.

Sec. 4. Minnesota Statutes 1989 Supplement, section 118.12, is amended to read:

118.12 [INVESTMENT OF TOWN FUNDS.]

When the town board of any town in this state, by a unanimous resolution, deem it advisable, such town board may invest such amount of funds in such town treasury as will not, in the opinion of such board, be needed by such town during the fiscal year, in any of the bonds of any county, city, town, school district, drainage or other district created pursuant to law for public purposes in Minnesota, Iowa, Wisconsin, and North and South Dakota, or in bonds of the United States of America, or in the bonds of any city, county, town, school district, drainage or other district created pursuant to law for public purposes in the United States, containing at least 3,500 inhabitants, provided that the total bonded indebtedness of any such municipality or district shall not exceed ten percent of its ~~net tax capacity~~ *assessed value, if not located in Minnesota, or 2.5 percent of its taxable market value, if located in Minnesota.*

Sec. 5. Minnesota Statutes 1989 Supplement, section 163.04, subdivision 3, is amended to read:

Subd. 3. [EXPENDITURES ON BRIDGES WITHIN CERTAIN CITIES.] When the council of any statutory city or city of the third or fourth class may determine that it is necessary to build or improve any bridge or bridges, including approaches thereto, and any dam or retaining works connected therewith, upon or forming a part of streets or highways either wholly or partly within its limits, the county board shall appropriate one-half of the money as may be necessary therefor from the county road and bridge fund, not exceeding during any year one-half the amount of taxes paid into the county road and bridge fund during the preceding year, on property within the corporate limits of the city. The appropriation shall be made upon the petition of the council, which petition shall be filed by the council with the county board prior to the fixing by the board of the annual county tax levy. The county board shall determine the plans and specifications, shall let all necessary contracts, shall have charge of construction, and upon its request, warrants in payment thereof shall be issued by the county auditor, from time to time, as the construction work proceeds. Any unpaid balance may be paid or advanced by the city. On petition of the council, the appropriations of the county board, during not to exceed three successive years, may be made to apply on the construction of the same items and to repay any money advanced by the city in the construction thereof. None of the provisions of this section shall be construed to be mandatory as applied to any city whose ~~net tax capacity~~ *market value* exceeds ~~\$500~~ *\$2,100* per capita of its population.

Sec. 6. Minnesota Statutes 1989 Supplement, section 163.06, subdivision 6, is amended to read:

Subd. 6. [EXPENDITURE IN CERTAIN COUNTIES.] In any county having not less than 95 nor more than 105 full and fractional townships, and having a ~~net tax capacity~~ *market value* of not less than ~~\$3,000,000~~ *\$12,000,000* nor more ~~\$5,000,000~~ *than \$21,000,000*, exclusive of money and credits, the county board, by resolution, may expend the funds provided in subdivision 4 in any organized or unorganized township or portion thereof in such county.

Sec. 7. Minnesota Statutes 1989 Supplement, section 165.10, subdivision 1, is amended to read:

Subdivision 1. [CERTAIN COUNTIES MAY ISSUE AND SELL.] The county board of any county having no outstanding road and bridge bonds may issue and sell county road bonds in an amount not exceeding ~~one-half~~

of ~~one 0.12089~~ percent of the ~~net tax capacity~~ market value of the taxable property within the county exclusive of money and credits, for the purpose of constructing, reconstructing, improving, or maintaining any bridge or bridges on any highway under its jurisdiction, without submitting the matter to a vote of the electors of the county.

Sec. 8. Minnesota Statutes 1989 Supplement, section 365.025, subdivision 4, is amended to read:

Subd. 4. [~~BIG BUYS MAJOR PURCHASES: NOTICE, PETITION, ELECTION.~~] Before buying anything under subdivision 2 that costs more than ~~one 0.24177~~ percent of the ~~net tax capacity~~ market value of the town, the town must follow this subdivision.

The town must publish in its official newspaper the board's resolution to pay for the property over time. Then a petition for an election on the contract may be filed with the clerk. The petition must be filed within ten days after the resolution is published. To require the election the petition must be signed by a number of voters equal to ten percent of the voters at the last regular town election. The contract then must be approved by a majority of those voting on the question. The question may be voted on at a regular or special election.

Sec. 9. Minnesota Statutes 1989 Supplement, section 368.01, subdivision 23, is amended to read:

Subd. 23. [FINANCING PURCHASE OF CERTAIN EQUIPMENT.] The town board of supervisors may issue certificates of indebtedness within existing debt limits for the purpose of purchasing fire or police equipment or ambulance equipment or street construction or maintenance equipment. Such certificates shall be payable in not more than five years and shall be issued on such terms and in such manner as the board may determine. If the amount of the certificates to be issued to finance any such purchase exceeds ~~one 0.24177~~ percent of the ~~net tax capacity~~ market value of the town, excluding money and credits, they shall not be issued for at least ten days after publication in the official newspaper of a town board resolution determining to issue them; and if before the end of that time, a petition asking for an election on the proposition signed by voters equal to ten percent of the number of voters at the last regular town election is filed with the clerk, such certificates shall not be issued until the proposition of their issuance has been approved by a majority of the votes cast on the question at a regular or special election. A tax levy shall be made for the payment of the principal and interest on such certificates as in the case of bonds.

Sec. 10. Minnesota Statutes 1989 Supplement, section 368.44, is amended to read:

368.44 [DISSOLUTION OF CERTAIN TOWNS; GROUNDS.]

When the voters residing within a duly organized town in any county in this state having more than 85 congressional townships of land and having a ~~net tax capacity~~ market value of not less than ~~\$5,000,000~~ \$21,000,000 nor more than ~~\$12,000,000~~ \$50,000,000 have failed to elect any town officials for more than three years continuously, or the town has failed and omitted to exercise any of the powers and functions of a town, as provided by law, which facts, or any of them, may be found and determined by the resolution of the county board of the county in which the town is located, according to the official records in the office of the auditor of the county,

the county board by resolution duly adopted may declare any such town, naming it, duly dissolved and no longer entitled to exercise any of the powers or functions of a town.

Sec. 11. Minnesota Statutes 1989 Supplement, section 368.47, is amended to read:

368.47 [TOWNS MAY BE DISSOLVED.]

When the voters residing within a town in this state have failed to elect any town officials for more than ten years continuously, or the town has failed and omitted for a period of ten years to exercise any of the powers and functions of a town, as provided by law, or when the ~~net tax capacity~~ *market value* of any town drops to less than ~~\$40,000~~ *\$165,000*, or when the tax delinquency of any such town, exclusive of taxes that are delinquent or unpaid by reason of taxes being contested in proceedings for the enforcement of taxes, amounts to ~~50~~ *12* percent of its ~~net tax capacity~~ *market value*, or where the state or federal government has acquired title to 50 percent of the real estate of such town, which facts, or any of them, may be found and determined by the resolution of the county board of the county in which the town is located, according to the official records in the office of the county auditor, the county board by resolution may declare any such town, naming it, duly dissolved and no longer entitled to exercise any of the powers or functions of a town. In counties having a population according to the 1930 federal census of not more than 16,000 nor less than 15,000 and having not more than 77 nor less than 75 full or fractional congressional townships, and in counties having a population according to the 1930 federal census of not more than 28,000 nor less than 27,000 and having not more than 91 nor less than 90 full or fractional congressional townships, and in counties having a population according to the 1930 federal census of not more than 210,000 nor less than 200,000 and having not more than 202 nor less than 200 full or fractional congressional townships, before any such dissolution shall become effective the voters of the town shall express their approval or disapproval of such dissolution. The clerk of the town shall, upon a petition signed by a majority of the registered voters of the town, filed with the clerk at least 60 days before any regular or special town election thereof, give notice at the same time and in the same manner of such election that the question of dissolution of such town will be submitted for determination at such election. At such election when so petitioned for the question shall be voted upon by a separate ballot, the terms of which shall be either "for dissolution" or "against dissolution," which ballot shall be deposited in a separate ballot box to be provided and the result of such voting shall be duly canvassed, certified, and returned in the same manner and at the same time as other facts and returns of the election. If a majority of the votes cast at the election shall be for dissolution, such town shall be dissolved; and, if a majority of the votes cast at the election shall be against dissolution, the town shall not be dissolved.

When a town is dissolved under the provisions of sections 368.47 to 368.49 the county shall acquire title to any telephone company or any other business being conducted by such town and such business shall be operated by the board of county commissioners until such time as a sale thereof can be made; provided that the subscribers or patrons of such businesses shall have the first opportunity of purchase. If such dissolved town has any outstanding indebtedness chargeable to such business, the auditor of the county wherein such dissolved town is located shall levy a tax against the

property situated in the dissolved town for the purpose of paying the indebtedness as it becomes due.

Sec. 12. Minnesota Statutes 1989 Supplement, section 370.01, is amended to read:

370.01 [CHANGE OF BOUNDARIES; CREATION OF NEW COUNTIES.]

The boundaries of counties may be changed by taking territory from a county and attaching it to an adjoining county, and new counties may be established out of territory of one or more existing counties. A new county shall contain at least 400 square miles, have at least 2,000 inhabitants, and have a ~~net tax capacity~~ *market value* of at least ~~\$4,000,000~~ *\$17,000,000*. An existing county shall not be reduced in area below 400 square miles, have less than 2,000 inhabitants, or have a ~~net tax capacity~~ *market value* of less than ~~\$4,000,000~~ *\$17,000,000*.

In existing counties having an area of more than 3,500 and less than 6,000 square miles, boundaries may be changed and new counties established having a ~~net tax capacity~~ *market value* of at least ~~\$2,500,000~~ *\$10,000,000*.

No change in the boundaries of any county having an area of more than 2,500 square miles, whether by the creation of a new county, or otherwise, shall detach from the existing county any territory within 12 miles of the county seat.

Sec. 13. Minnesota Statutes Second 1989 Supplement, section 373.40, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given.

(a) "Bonds" means an obligation as defined under section 475.51.

(b) "Capital improvement" means acquisition or betterment of public lands, buildings, or other improvements within the county for the purpose of a county courthouse, administrative building, health or social service facility, correctional facility, jail, law enforcement center, hospital, morgue, library, park, and roads and bridges. An improvement must have an expected useful life of five years or more to qualify. "Capital improvement" does not include light rail transit or any activity related to it or a recreation or sports facility building (such as, but not limited to, a gymnasium, ice arena, racquet sports facility, swimming pool, exercise room or health spa), unless the building is part of an outdoor park facility and is incidental to the primary purpose of outdoor recreation.

(c) "Commissioner" means the commissioner of trade and economic development.

(d) "Metropolitan county" means a county located in the seven-county metropolitan area as defined in section 473.121 or a county with a population of 90,000 or more.

(e) "Population" means the population established by the most recent of the following (determined as of the date the resolution authorizing the bonds was adopted):

(1) the federal decennial census,

(2) a special census conducted under contract by the United States Bureau

of the Census, or

(3) a population estimate made either by the metropolitan council or by the state demographer under section 116K.04, subdivision 4, clause (10).

(f) "Tax capacity" means total taxable ~~tax capacity~~ *market value*, but does not include captured ~~tax capacity~~ *market value*.

Sec. 14. Minnesota Statutes 1989 Supplement, section 383.06, is amended to read:

383.06 [PAYMENT OF WARRANTS; ACCOUNTS; HOW KEPT; CERTIFICATES OF INDEBTEDNESS TO RETIRE OUTSTANDING WARRANTS.]

The county treasurer shall pay warrants only from the fund from which they are legally payable. Payments under any special contract shall be kept separate under the name of such contract, and under the general title of the fund from which such payment may be legally made. The treasurer need not keep a specific appropriations account separately, but shall keep a general appropriations account.

~~In any county having a net tax capacity of not less than \$150,000,000, exclusive of money and credits, the A county board may, by resolution, issue and sell as many certificates of indebtedness as may be needed in anticipation of the collection of taxes levied for any fund named in the tax levy for the purpose of raising money for such fund, but the certificates outstanding for any such separate funds shall not at any time exceed 50 percent of the amount of taxes previously levied for such fund remaining uncollected, and no certificate shall be issued to become due and payable later than December 31 of the year succeeding the year in which the tax levy was made, and the certificates shall not be sold for less than par and accrued interest and shall not bear a greater rate of interest than six percent per annum. No such certificates shall be issued prior to the beginning of the fiscal year for which the taxes so anticipated were intended, except that when taxes shall have been levied for the purpose of paying a deficit in any such fund carried over from any previous year or years certificates of indebtedness in anticipation of collection of the taxes levied for such deficit may be issued at any time after such levy shall have been finally made and certified to the county auditor. Each certificate shall state upon its face for which fund the proceeds thereof shall be used, the total amount of certificates so issued, and the whole amount embraced in the levy for that particular purpose. They shall be numbered consecutively, be in denominations of \$100 or a multiple thereof, may have interest coupons attached, shall be otherwise of such form and terms, and may be made payable at such place, as will best aid in their negotiation, and the proceeds of the tax assessed and collected on account of the fund and the full faith and credit of the county shall be irrevocably pledged for the redemption and payment of the certificates so issued. Such certificates shall be payable primarily from the moneys derived from the levy for the years against which such certificates were issued, but shall constitute unlimited general obligations of the county. Moneys derived from the sale of such certificates shall be credited to the fund or funds the taxes for which are so anticipated.~~

Sec. 15. Minnesota Statutes 1989 Supplement, section 385.31, is amended to read:

385.31 [PAYMENT OF COUNTY ORDERS OR WARRANTS.]

When any order or warrant drawn on the treasurer is presented for payment, if there is money in the treasury for that purpose, the county treasurer shall redeem the same, and write across the entire face thereof the word "redeemed," the date of the redemption, and the treasurer's official signature. If there is not sufficient funds in the proper accounts to pay such orders they shall be numbered and registered in their order of presentation, and proper endorsement thereof shall be made on such orders and they shall be entitled to payment in like order. Such orders shall bear interest at not to exceed the rate of six percent per annum from such date of presentment. The treasurer, as soon as there is sufficient money in the treasury, shall appropriate and set apart a sum sufficient for the payment of the orders so presented and registered, and, if entitled to interest, issue to the original holder a notice that interest will cease in 30 days from the date of such notice; and, if orders thus entitled to priority of payment are not then presented, the next in order of registry may be paid until such orders are presented. No interest shall be paid on any order, except upon a warrant drawn by the county auditor for that purpose, giving the number and the date of the order on account of which the interest warrant is drawn. In any county in this state now or hereafter having a ~~net tax capacity~~ *market value* of all taxable property, exclusive of money and credits, of not less than ~~\$250,000,000~~ *\$1,033,000,000*, the county treasurer, in order to save payment of interest on county warrants drawn upon a fund in which there shall be temporarily insufficient money in the treasury to redeem the same, may borrow temporarily from any other fund in the county treasury in which there is a sufficient balance to care for the needs of such fund and allow a temporary loan or transfer to any other fund, and may pay such warrants out of such funds. Any such money so transferred and used in redeeming such county warrants shall be returned to the fund from which drawn as soon as money shall come in to the credit of such fund on which any such warrant was drawn and paid as aforesaid. Any county operating on a cash basis may use a combined form of warrant or order and check, which, when signed by the chair of the county board and by the auditor, is an order or warrant for the payment of the claim, and, when countersigned by the county treasurer, is a check for the payment of the amount thereof.

Sec. 16. Minnesota Statutes 1989 Supplement, section 386.34, is amended to read:

386.34 [DEPUTIES, SALARIES.]

The county board of each county having a population of less than 75,000, may by written order to be filed in the office of the county auditor allow one deputy county recorder in such county compensation for services as such deputy, to be fixed by the board and specified in said order. In each county containing less than 15 full and fractional congressional townships, and having more than 16,000 and less than 19,000 inhabitants according to the 1940 federal census, and having a ~~net tax capacity~~ *market value* of less than ~~\$7,000,000~~ *\$29,000,000*, exclusive of moneys and credits, the county board may by written order to be filed in the office of the county auditor allow one deputy county recorder in such county compensation for services as such deputy not exceeding \$1,800 per year.

Sec. 17. Minnesota Statutes 1989 Supplement, section 412.081, sub-division 1, is amended to read:

412.081 [SEPARATION FROM TOWN.]

Subdivision 1. [ELECTION, ASSESSMENT DISTRICTS.] Any statutory city hereafter organized shall be constituted an election and assessment district separate from the town in which it lies immediately upon incorporation, except that if the incorporation occurs between March 15 and July 1 the town assessor shall assess the property in the city that year and the city assessor shall not assume duties until the following year. Where the town assessor makes the assessment, the city shall pay such proportion of the cost of the assessment as its net tax capacity bears to the ~~assessed valuation~~ *net tax capacity* of the town, including the city.

Sec. 18. Minnesota Statutes 1989 Supplement, section 412.221, subdivision 2, is amended to read:

Subd. 2. [CONTRACTS.] The council shall have power to make such contracts as may be deemed necessary or desirable to make effective any power possessed by the council. The city may purchase personal property through a conditional sales contract and real property through a contract for deed under which contracts the seller is confined to the remedy of recovery of the property in case of nonpayment of all or part of the purchase price, which shall be payable over a period of not to exceed five years. When the contract price of property to be purchased by contract for deed or conditional sales contract exceeds ~~one~~ *0.24177* percent of the ~~net tax capacity~~ *market value* of the city, the city may not enter into such a contract for at least ten days after publication in the official newspaper of a council resolution determining to purchase property by such a contract; and, if before the end of that time a petition asking for an election on the proposition signed by voters equal to ten percent of the number of voters at the last regular city election is filed with the clerk, the city may not enter into such a contract until the proposition has been approved by a majority of the votes cast on the question at a regular or special election.

Sec. 19. Minnesota Statutes 1989 Supplement, section 430.102, subdivision 2, is amended to read:

Subd. 2. [COUNCIL APPROVAL; SPECIAL TAX LEVY LIMITATION.] The council shall receive and consider the estimate required in subdivision 1 and the items of cost after notice and hearing before it or its appropriate committee as it considers necessary or expedient, and shall approve the estimate, with necessary amendments. The amounts of each item of cost estimated are then appropriated to operate, maintain, and improve the pedestrian mall during the next fiscal year. The amount of the special tax to be charged under subdivision 1, clause (3), must not, however, exceed ~~50 cents per \$100~~ *0.12089 percent of net tax capacity market value* of taxable property in the district. The council shall make any necessary adjustment in costs of operating and maintaining the district to keep the amount of the tax within this limitation.

Sec. 20. Minnesota Statutes 1989 Supplement, section 465.04, is amended to read:

465.04 [ACCEPTANCE OF GIFTS.]

Cities of the second, third, or fourth class, having at any time a ~~net tax capacity market value~~ of not more than ~~\$10,000,000~~ *\$41,000,000*, exclusive of money and credits, as officially equalized by the commissioner of revenue, either under home rule charter or under the laws of this state, in addition to all other powers possessed by them, hereby are authorized and empowered to receive and accept gifts and donations for the use and benefit

of such cities and the inhabitants thereof upon terms and conditions to be approved by the governing bodies of such cities; and such cities are authorized to comply with and perform such terms and conditions, which may include payment to the donor or donors of interest on the value of the gift at not exceeding five percent per annum payable annually or semiannually, during the remainder of the natural life or lives of such donor or donors.

Sec. 21. Minnesota Statutes 1989 Supplement, section 471.24, is amended to read:

471.24 [STATUTORY CITIES AND TOWNS MAY JOIN IN MAINTAINING CEMETERIES.]

Where a statutory city or town owns and maintains an established cemetery or burial ground, either within or without the municipal limits, the statutory city or town may, by mutual agreement with contiguous statutory cities and towns, each having a ~~net tax capacity market value~~ of not less than ~~\$500,000~~ \$2,000,000, join together in the maintenance of such public cemetery or burial ground for the use of the inhabitants of each of such municipalities; and each such municipality is hereby authorized, by action of its council or governing body, to levy a tax or make an appropriation for the support and maintenance of such cemetery or burial ground; provided, the amount thus levied or appropriated by each municipality shall not exceed a total of \$10,000 in any one year.

Sec. 22. Minnesota Statutes 1989 Supplement, section 471.73, is amended to read:

471.73 [ACCEPTANCE OF PROVISIONS.]

In the case of any city within the class specified in 471.72 having a ~~net tax capacity market value~~, as defined in section 471.72, in excess of ~~\$9,000,000~~ \$37,000,000; and in the case of any statutory city within such class having a ~~net tax capacity market value~~, as defined in section 471.72, of less than ~~\$1,100,000~~ \$5,000,000; and in the case of any statutory city within such class which is governed by Laws 1933, chapter 211, or Laws 1937, chapter 356; and in the case of any statutory city within such class which is governed by Laws 1929, chapter 208, and has a ~~net tax capacity market value~~ of less than ~~\$20,000,000~~ \$83,000,000; and in the case of any school district within such class having a ~~net tax capacity market value~~, as defined in section 471.72, of more than ~~\$13,000,000~~ \$54,000,000; and in the case of all towns within said class; sections 471.71 to 471.83 apply only if the governing body of the city or statutory city, the board of the school district, or the town board of the town shall have adopted a resolution determining to issue bonds under the provisions of sections 471.71 to 471.83 or to go upon a cash basis in accordance with the provisions thereof.

Sec. 23. Minnesota Statutes 1989 Supplement, section 475.58, subdivision 2, is amended to read:

Subd. 2. [FUNDING, REFUNDING.] Any city, town or school district whose outstanding gross debt, including all items referred to in section 475.51, subdivision 4, exceed in amount ~~6-2/3~~ 1.75 percent of its ~~net tax capacity market value~~ may issue bonds under this subdivision for the purpose of funding or refunding such indebtedness or any part thereof. A list of the items of indebtedness to be funded or refunded shall be made by the recording officer and treasurer and filed in the office of the recording officer. The initial resolution of the governing body shall refer to this subdivision as authority for the issue, state the amount of bonds to be issued

and refer to the list of indebtedness to be funded or refunded. This resolution shall be published once each week for two successive weeks in a legal newspaper published in the municipality or if there be no such newspaper, in a legal newspaper published in the county seat. Such bonds may be issued without the submission of the question of their issue to the electors unless within ten days after the second publication of the resolution a petition requesting such election signed by ten or more voters who are taxpayers of the municipality, shall be filed with the recording officer. In event such petition is filed, no bonds shall be issued hereunder unless authorized by a majority of the electors voting on the question.

Sec. 24. Minnesota Statutes 1989 Supplement, section 475.73, subdivision 1, is amended to read:

Subdivision 1. Obligations sold under the provisions of section 475.60 may be purchased by the state board of investment if the obligations meet the requirements of section 11A.24, subdivision 2, upon the approval of the attorney general as to form and execution of the application therefor, and under rules as the board may specify, and the state board shall have authority to purchase the same to an amount not exceeding ~~45~~ 3.62662 percent of the ~~net tax capacity~~ market value of the taxable property of the municipality, according to the last preceding assessment. The obligations shall not run for a shorter period than one year, nor for a longer period than 30 years and shall bear interest at a rate to be fixed by the state board but not less than two percent per annum. Forthwith upon the delivery to the state of Minnesota of any obligations issued by virtue thereof, the commissioner of finance shall certify to the respective auditors of the various counties wherein are situated the municipalities issuing the same, the number, denomination, amount, rate of interest and date of maturity of each obligation.

Sec. 25. Minnesota Statutes 1989 Supplement, section 505.173, subdivision 1, is amended to read:

Subdivision 1. [CERTAIN DEFECTS.] In all cases where the plats, or what purports to be plats, of any portion of the lands contained within any additions to or subdivisions of any town or city, situated in any county having less than 15 full and fractional congressional townships, having less than 15,000 inhabitants according to the 1940 federal census, and having an ~~net tax capacity~~ assessed value of more than \$7,500,000 and less than \$8,500,000, exclusive of money and credits which have been executed and filed in an office of any county recorder previous to January 1, 1915, (1) fail to identify or correctly describe the land to be so platted or to show correctly upon their face the tract of land intended or purported to be platted thereby, or (2) are defective by reason of the plat and the description of the land purported to be so platted thereby being inconsistent or incorrect, or (3) there exists a defect in the execution of said plats on the part of the grantors thereof, the governing board or council of the municipality containing land so platted or purported to be so platted may authorize, within two years from April 21, 1951, referring by the record book and page of such plat or plats in the office of the county recorder to the plat or plats to be corrected, the making of one or more plats which shall correctly show on the face thereof and by description of the land intended to be platted, which plat or plats may vary from the original plats in description as to lots and blocks to suit the best purpose and secure the best results. Such plat or plats, in a declaration thereon, shall recite such resolution and shall identify each separate tract of land described therein

with such tract of land in the purported plat or plats intended to be corrected thereby, and shall be certified by the proper officers of the municipality as to authorization and by an engineer or surveyor as to correctness, and the signatures of such persons shall be acknowledged in like manner as a deed.

Sec. 26. [EFFECTIVE DATE.]

Section 23 is effective for bonds issued after the date of enactment of this act. The remainder of this article is effective the day following final enactment of this act."

Delete the title and insert:

"A bill for an act relating to taxation; property; making technical corrections and administrative changes; amending Minnesota Statutes 1988, sections 116K.04, subdivision 4; 273.42, subdivision 1; 274.01, subdivision 1; 275.54, by adding a subdivision; 277.15; 279.03, subdivision 2, and by adding a subdivision; 279.37, subdivision 1a; 282.01, subdivision 4; 282.261, subdivision 2; 287.21, subdivision 2; 290A.10; 469.043, subdivision 5; 469.059, subdivision 11; 477A.011, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 38.18; 50.14, subdivision 4; 110.70; 118.12; 163.04, subdivision 3; 163.06, subdivision 6; 165.10, subdivision 1; 168.013, subdivision 5; 272.16; 273.01; 273.11, subdivision 1; 279.01, subdivision 1; 282.01, subdivision 1; 298.28, subdivision 4; 365.025, subdivision 4; 368.01, subdivision 23; 368.44; 368.47; 370.01; 383.06; 385.31; 386.34; 412.081, subdivision 1; 412.221, subdivision 2; 430.102, subdivision 2; 465.04; 469.177, subdivision 1a; 471.24; 471.73; 475.58, subdivision 2; 475.73, subdivision 1; 477A.011, subdivision 15; 505.173, subdivision 1; Minnesota Statutes Second 1989 Supplement, sections 273.124, subdivision 6; 273.13, subdivision 25; 273.1391, subdivisions 1, 2, 5, 5a, and 6; 274.14; 274.175; 275.07, subdivision 3; 275.50, subdivision 5; 275.51, subdivisions 3h and 6; 277.01, subdivision 1; 277.02; 277.05; 277.06; 287.29, subdivision 1; 290A.045, subdivision 6; 373.40, subdivision 1; 473F08, subdivision 8a; and 477A.013, subdivision 3; Laws 1989, First Special Session chapter 1, articles 3, section 35; and 9, section 86; repealing Minnesota Statutes 1988, section 272.70."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 2490: A bill for an act relating to workers' compensation; including mentally retarded persons and those with related conditions to the list of registrable conditions for the subsequent disability special fund; amending Minnesota Statutes 1988, section 176.131, subdivision 8.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 176.102, is amended by adding a subdivision to read:

Subd. 7a. [FUNCTIONAL CAPACITIES EVALUATION.] In any form

developed by the commissioner for use in evaluating functional capacities there shall be included a question asking whether any physical restrictions are permanent and, if not, when an employee's physical capacities will be reevaluated.

Sec. 2. Minnesota Statutes 1988, section 176.131, subdivision 8, is amended to read:

Subd. 8. As used in this section the following terms have the meanings given them:

“Physical impairment” means any physical or mental condition that is permanent in nature, whether congenital or due to injury, disease or surgery and which is or is likely to be a hindrance or obstacle to obtaining employment except that physical impairment is limited to the following:

- (a) Epilepsy,
- (b) Diabetes,
- (c) Hemophilia,
- (d) Cardiac disease, provided that objective medical evidence substantiates at least the minimum permanent partial disability listed in the workers' compensation permanent partial disability schedule,
- (e) Partial or entire absence of thumb, finger, hand, foot, arm or leg,
- (f) Lack of sight in one or both eyes or vision in either eye not correctable to 20/40,
- (g) Residual disability from poliomyelitis,
- (h) Cerebral Palsy,
- (i) Multiple Sclerosis,
- (j) Parkinson's disease,
- (k) Cerebral vascular accident,
- (l) Chronic Osteomyelitis,
- (m) Muscular Dystrophy,
- (n) Thrombophlebitis,
- (o) Brain tumors,
- (p) Pott's disease,
- (q) Seizures,
- (r) Cancer of the bone,
- (s) Leukemia,
- (t) *Mental retardation or other related conditions,*
- (u) Any other physical impairment resulting in a disability rating of at least ten percent of the whole body if the physical impairment were evaluated according to standards used in workers' compensation proceedings, and
- (~~u~~) (v) Any other physical impairments of a permanent nature which the commissioner may by rule prescribe.

“Compensation” has the meaning defined in section 176.011.

“Employer” includes insurer.

“Disability” means, unless otherwise indicated, any condition causing either temporary total, temporary partial, permanent total, permanent partial, death, medical expense, or rehabilitation.

“Mental retardation” means significantly subaverage intellectual functioning existing concurrently with demonstrated deficits in adaptive behavior that require supervision and protection for the person’s welfare or the public welfare.

“Other related conditions” means severe chronic disabilities that are (i) attributable to cerebral palsy, epilepsy, autism, or any other condition, other than mental illness, found to be closely related to mental retardation because the condition results in impairment of general intellectual functioning or adaptive behavior similar to that of persons with mental retardation or requires treatment or services similar to those required for persons with mental retardation; (ii) likely to continue indefinitely; and (iii) result in substantial functional limitations in three or more of the following areas of major life activity: self-care, understanding and use of language, learning, mobility, self-direction, or capacity for independent living.

Sec. 3. Minnesota Statutes 1989 Supplement, section 176.135, subdivision 1, is amended to read:

Subdivision 1. [MEDICAL, PSYCHOLOGICAL, CHIROPRACTIC, PODIATRIC, SURGICAL, HOSPITAL.] (a) The employer shall furnish any medical, psychological, chiropractic, podiatric, surgical and hospital treatment, including nursing, medicines, medical, chiropractic, podiatric, and surgical supplies, crutches and apparatus, including artificial members, or, at the option of the employee, if the employer has not filed notice as hereinafter provided, Christian Science treatment in lieu of medical treatment, chiropractic medicine and medical supplies, as may reasonably be required at the time of the injury and any time thereafter to cure and relieve from the effects of the injury. This treatment shall include treatments necessary to physical rehabilitation. *Exposure to rabies is an injury and an employer shall furnish preventative treatment to employees exposed to rabies.* The employer shall furnish replacement or repair for artificial members, glasses, or spectacles, artificial eyes, podiatric orthotics, dental bridge work, dentures or artificial teeth, hearing aids, canes, crutches, or wheel chairs damaged by reason of an injury arising out of and in the course of the employment. In case of the employer’s inability or refusal seasonably to do so the employer is liable for the reasonable expense incurred by or on behalf of the employee in providing the same, including costs of copies of any medical records or medical reports that are in existence, obtained from health care providers, and that directly relate to the items for which payment is sought under this chapter, limited to the charges allowed by subdivision 7, and attorney fees incurred by the employee. No action to recover the cost of copies may be brought until the commissioner adopts a schedule of reasonable charges under subdivision 7. Attorney’s fees shall be determined on an hourly basis according to the criteria in section 176.081, subdivision 5. The employer shall pay for the reasonable value of nursing services by a member of the employee’s family in cases of permanent total disability.

(b) Both the commissioner and the compensation judges have authority to make determinations under this section in accordance with sections 176.106 and 176.305.

Sec. 4. [176.1351] [RAPID RESPONSE TO INJURED EMPLOYEE.]

Subdivision 1. [HEALTH CARE PROVIDER NOTICE TO EMPLOYER.] A health care provider treating an employee for an injury that the provider anticipates will cause the employee to be absent from work for more than five working days must notify the employer by telephone and in writing of the anticipated work loss. The notices must include the employee's name, address, telephone number, and where, if different, the employee can be reached.

Subd. 2. [EMPLOYER RESPONSE; INJURY ADJUSTER.] An employer must, within 24 hours of receiving the telephone notice under subdivision 1, send a company employee who is to function as an injury adjuster and who is to personally contact the injured employee.

The adjuster must determine the nature of the injury, the employee's current physical capabilities, and what the physical capabilities will be at maximum medical improvement. The adjuster must compare those physical capabilities with the capabilities required for the employee's current job.

The adjuster must ask the employee at least the following questions:

- (1) doctor's name;*
- (2) what hospitals are involved;*
- (3) the employee's physical complaint;*
- (4) the injury diagnosis;*
- (5) what tests have been done and their results;*
- (6) what treatment has been prescribed;*
- (7) what medications have been prescribed;*
- (8) what are the possible complications;*
- (9) is the doctor pleased with the employee's progress;*
- (10) when is the next doctor visit;*
- (11) is the employee pleased with the doctor, treatment, and progress;*
and
- (12) what can the employee do regarding a return to work.*

Subd. 3. [REHABILITATION.] The injury adjuster shall confer with the treating health care provider about proven rehabilitation methods to reach maximum medical improvement as soon as possible.

Sec. 5. Minnesota Statutes 1988, section 176.138, is amended to read:
176.138 [MEDICAL DATA; ACCESS.]

(a) Notwithstanding any other state laws related to the privacy of medical data or any private agreements to the contrary, the release in writing, by telephone discussion, or otherwise of medical data related to a current claim for compensation under this chapter to the employee, employer, or insurer who are parties to the claim, or to the department of labor and industry, shall not require prior approval of any party to the claim. This section does not preclude the release of medical data under section 175.10 or 176.231, subdivision 9. Requests for pertinent data shall be made, and the date of discussions with medical providers about medical data shall be confirmed, in writing to the person or organization that collected or

currently possesses the data. ~~The~~ *Written medical data that exists at the time the request is made shall be provided by the collector or possessor within seven working days of receiving the request. All other medical data described above may be provided, but are not required to be provided, by the collector or possessor. In all cases of a request for the data or discussion with a medical provider about the data, except when it is the employee who is making the request, the employee shall be sent written notification of the request by the party requesting the data at the same time the request is made or a written confirmation of the discussion. This data shall be treated as private data by the party who requests or receives the data and the party receiving the data shall provide the employee or the employee's attorney with a copy of all data requested by the requester.*

(b) Medical data which is not directly related to a current injury or disability shall not be released without prior authorization of the employee.

(c) The commissioner may impose a penalty of up to \$200 payable to the special compensation fund against a party who does not *timely* release the data in a ~~timely manner as required in this section~~. A party who does not treat this data as private pursuant to this section is guilty of a misdemeanor. ~~This section applies only to written medical data which exists at the time the request is made.~~

(d) *Workers' compensation insurers and self-insured employers may, for the sole purpose of identifying duplicate billings submitted to more than one insurer, disclose to health insurers, including all insurers writing insurance described in section 60A.06, subdivision 1, clause (5)(a), nonprofit health service plan corporations subject to chapter 62C, health maintenance organizations subject to chapter 62D, and joint self-insurance employee health plans subject to chapter 62H, computerized information about dates, coded items, and charges for medical treatment of employees and other medical billing information submitted to them by an employee, employer, health care provider, or other insurer in connection with a current claim for compensation under this chapter, without prior approval of any party to the claim and notwithstanding anything to the contrary in this section or in any other state law related to privacy of medical data or any private agreements to the contrary. The data may not be used by the health insurer for any other purpose whatsoever.*

Sec. 6. Minnesota Statutes 1988, section 176.185, subdivision 1, is amended to read:

Subdivision 1. [NOTICE OF COVERAGE, TERMINATION, CANCELLATION.] Within ten days after the issuance of a policy of insurance covering the liability to pay compensation under this chapter written by an insurer licensed to insure such liability in this state, the insurer shall file notice of coverage with the commissioner under rules and on forms prescribed by the commissioner. No policy shall be canceled by the insurer within the policy period nor terminated upon its expiration date until a notice in writing is delivered or mailed to the insured and filed with the commissioner, fixing the date on which it is proposed to cancel it, or declaring that the insurer does not intend to renew the policy upon the expiration date. *If the insurer or its agent has delivered or mailed a written certificate of insurance, certifying that a policy in the name of the insured is in force, then the insurer shall deliver or mail written notice of the cancellation or termination to the recipient of the certificate of insurance. A cancellation or termination is not effective until 30 days after written*

notice has been filed with the commissioner in a manner prescribed by the commissioner unless prior to the expiration of the 30-day period the employer obtains other insurance coverage or an order exempting the employer from carrying insurance as provided in section 176.181. Upon receipt of the notice the commissioner notify the insured that the insured must obtain coverage from some other licensed carrier and that, if unable to do so, the insured shall request the commissioner of commerce to require the issuance of a policy as provided in section 79.251, subdivision 4. Upon a cancellation or termination of a policy by the insurer the employer is entitled to be assigned a policy in accordance with sections 79.251 and 79.252. Notice of cancellation or termination by the insured shall be served upon the insurer by written statement mailed or delivered to the insurer. Upon receipt of the notice the insurer shall notify the commissioner of the cancellation or termination and the commissioner shall ask the employer for the reasons for the cancellation or termination and notify the employer of the duty under this chapter to insure the employer's employees. *If the insurer or its agent has delivered or mailed a written certificate of insurance, certifying that a policy in the name of the insured is in force, then the insurer shall deliver or mail written notice of cancellation or termination to the recipient of the certificate of insurance. If an insurer fails to mail or deliver notice of cancellation or termination of an insured's policy to the recipient of a certificate of insurance, then the insurer shall indemnify and hold harmless the recipient from any award of benefits or other damages under this chapter resulting from the failure to give notice.*

Sec. 7. Minnesota Statutes 1988, section 176.231, is amended by adding a subdivision to read:

Subd. 1a. [JOB DESCRIPTION, INITIAL REPORT OF INJURY.] An employer shall complete or have available a job description of an injured employee's job within 48 hours of the first report of that employee's injury required under subdivision 1."

Delete the title and insert:

"A bill for an act relating to workers' compensation; including mentally retarded persons and those with related conditions to the list of registrable conditions for the subsequent disability special fund; providing rapid response to injured employees; regulating medical data access; providing for preventative treatment to employees exposed to rabies; regulating notice of insurance coverage and cancellation; amending Minnesota Statutes 1988, sections 176.102, by adding a subdivision; 176.131, subdivision 8; 176.138; 176.185, subdivision 1; 176.231, by adding a subdivision; Minnesota Statutes 1989 Supplement, section 176.135, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 176."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 2536: A bill for an act relating to insurance; accident and health; providing for the classification and disclosure of certain comprehensive health insurance data; regulating the Minnesota comprehensive health insurance plan; amending Minnesota Statutes 1988, sections 13.71, by adding a subdivision; 62E.10, subdivision 9; and 62E.14, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, delete "*classified as*" and after "*private*" insert "*data*"

Page 1, line 19, delete "*subdivision*" and insert "*chapter*"

Page 2, strike lines 19 to 31

Page 2, line 35, delete everything after the headnote and insert "*An employee, eligible dependent, or any other person eligible for continuation pursuant to Minnesota statute who is a Minnesota resident eligible to enroll in the comprehensive health plan and is unable to exercise continuation rights may enroll in the comprehensive health plan with a waiver of the preexisting condition limitation described in subdivision 3, if that person applies for coverage within 90 days of termination of prior coverage from a policy or plan.*

A person whose group coverage provided through a nonprofit organization under chapter 129A is terminated and who meets all other eligibility requirements, may enroll in the comprehensive health plan with a waiver of the preexisting condition limitation described in subdivision 3, if that person applies for coverage within 90 days of termination of previous coverage."

Page 2, delete line 36

Page 3, delete lines 1 to 3

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1749: A bill for an act relating to appropriations; appropriating money for a grant to cover costs of the investigation of the Jacob Wetterling kidnapping.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [STEARNS COUNTY; SPECIAL LEVY.]

For taxes levied in 1990, payable in 1991 only, Stearns county may levy a tax in an amount not to exceed \$208,000 to cover the cost of the investigation of criminal activity connected with the kidnapping of Jacob Wetterling. The levy under this section is not subject to the limitations of Minnesota Statutes, sections 275.50 to 275.56."

Amend the title as follows:

Page 1, lines 2 and 3, delete "appropriations; appropriating money for a grant" and insert "taxation; authorizing a special levy"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Elections and Ethics, to which was referred

S.F. No. 1944: A bill for an act relating to elections; requiring the designation of a local government election for election of county, municipal, and school district officers, and officers of all other political subdivisions except certain towns; requiring that certain questions be voted on only at the local government election for the political subdivision; requiring uniform and coordinated election precincts and polling places for municipalities and school districts; superseding certain inconsistent general and special laws and home rule charter provisions; appropriating money; amending Minnesota Statutes 1988, sections 40.05, subdivisions 1, 3, and 4; 40.06, subdivision 1; 122.23, subdivisions 12 and 17; 122.25, subdivision 2; 123.12, subdivision 1; 123.33, subdivision 1; 123.34, subdivision 1; 123.351, subdivisions 1 and 3; 123.51; 124.43, subdivision 3b; 200.02, by adding a subdivision; 201.071, subdivisions 1, 3, and 8; 203B.06, subdivision 3; 204B.14, by adding a subdivision; 204B.16, subdivision 1; 204B.18, subdivision 2, and by adding a subdivision; 204C.10, subdivision 1; 204D.02, subdivisions 1 and 2; 204D.11, subdivision 5; 204D.16; 205.02, subdivision 2; 205.10, subdivision 1; 205.13, subdivisions 1 and 6; 205.185, subdivisions 2, 3, and by adding a subdivision; 205A.02; 205A.05, subdivision 1; 205A.06, subdivision 5; 365.51, subdivision 3; 367.03; 375.03; 375.101, by adding a subdivision; 375.20; 375A.12, subdivision 4; 382.01; 383A.06, subdivision 2; 397.06; 397.07; 398.04; 410.12, subdivision 4; 410.21; 412.02, subdivision 2; 412.571, subdivision 5; 426.19, subdivision 2; 447.32, subdivisions 1 and 2; 447.48; 469.0724; 469.190, subdivision 5; and 475.58, subdivision 1a; Minnesota Statutes 1989 Supplement, sections 122.23, subdivision 18; 124.82, subdivision 3; 128.01, subdivision 3; 129B.73, subdivision 4; 136D.741, subdivision 4; 375.18, subdivision 3; 412.021, subdivision 2; and 471.191, subdivision 2; Minnesota Statutes Second 1989 Supplement, sections 275.58, subdivision 1; and 373.40, subdivision 2; proposing coding for new law in chapter 205; repealing Minnesota Statutes 1988, sections 123.015; 123.11, subdivisions 2, 3, 4, 5, and 6; 123.32, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 11, 22, 24, 25, 26, and 27; 200.015; 201.095; 204D.28, subdivision 5; 205.02; 205.065, subdivisions 2, 3, 4, 5, 6, and 7; 205.07; 205.10; 205.121; 205.175; 205.18, subdivision 1; 205.20; 206.76; 375.101, subdivisions 1 and 2; and 447.32, subdivisions 3 and 4; Minnesota Statutes 1989 Supplement, sections 205.065, subdivision 1; and 205.18, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 9, delete "DAY"

Page 2, line 16, delete "*certain*"

Page 3, line 11, delete "*those*" and delete "*not included in section 368.01,*"

Page 3, line 12, delete "*subdivision 1 or 1a*"

Page 3, delete lines 15 to 24 and insert:

"*Subd. 3. [BOND ISSUE QUESTIONS.] Notwithstanding any other law, a referendum authorizing the issuance of bonds must be held the first Tuesday after the first Monday in November, but a political subdivision may hold a bond issue referendum on another date if an emergency situation exists that requires immediate action.*"

Page 4, line 29, delete everything after "2"

Page 4, line 30, delete everything before "must"

Page 5, line 2, delete everything after "2"

Page 5, line 3, delete everything before "be"

Page 10, line 10, after "and" insert "the"

Page 10, line 11, delete "elections" and insert "election"

Page 11, line 20, delete everything after "towns"

Page 11, line 21, delete "1 or 1a"

Page 16, line 34, delete everything after "except" and insert "towns"

Page 16, line 35, delete "1 or 1a"

Page 19, line 24, reinstate the stricken "at the" and reinstate the stricken "place of holding the state general"

Page 19, line 25, reinstate the stricken "election,"

Page 28, lines 35 and 36, delete "and article 5, section 1, control and supersede" and insert "controls and supersedes"

Pages 29 and 30, delete sections 16 and 17

Page 34, lines 6 and 7, delete "and article 5, section 1,"

Renumber the sections of article 4 in sequence

Pages 37 to 49, delete article 5

Page 49, line 7, delete "6" and insert "5"

Page 49, after line 26, insert:

"The governing body of each political subdivision subject to article 1, section 2, subdivisions 2 and 3, shall designate in ordinance or resolution adopted by December 1, 1992, either the odd-numbered or even-numbered year for its local government election."

Page 54, line 6, delete "123.015;"

Page 54, line 7, delete everything after the semicolon

Page 54, line 8, delete everything before "200.015" and delete "201.095;"

Page 54, line 14, delete "6" and insert "5"

Page 54, line 17, after "2;" insert "and"

Page 54, line 18, delete "; and article 5, sections 2 and 3"

Amend the title as follows:

Page 1, line 5, delete "certain"

Page 1, line 18, delete "124.43, subdivision 3b;"

Page 1, delete lines 24 to 46 and insert:

"subdivision 5; 204D.16; 205.02, subdivision 2; 205.13, subdivisions 1 and 6; 205.185, subdivisions 2, 3, and by adding a subdivision; 205A.02; 205A.06, subdivision 5; 375.03; 375.101, by adding a subdivision; 382.01;

397.06; 397.07; 398.04; 410.21; 412.02, subdivision 2; 412.571, subdivision 5; 447.32, subdivisions 1 and 2; Minnesota Statutes 1989 Supplement, sections 122.23, subdivision 18; 128.01, subdivision 3; 412.021, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 205; repealing Minnesota Statutes 1988, sections 123.11, subdivisions 2, 3, 4, 5, and 6; 200.015; 204D.28, subdivision 5; 205.02;”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Dicklich from the Committee on Public Utilities and Energy, to which was referred

S.F. No. 2317: A bill for an act relating to utilities; providing for the assessment of expenses for adjudicating service area disputes to municipal electric utilities; amending Minnesota Statutes 1988, section 216B.62, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 216B.62, subdivision 5, is amended to read:

Subd. 5. The commission and department ~~shall be authorized to~~ *may charge cooperative electric associations and municipal electric utilities their proportionate share of the expenses incurred in the adjudication of service area disputes and all of the costs incurred in the adjudication of complaints over service standards and practices. The commission and department may also charge cooperative electric associations and municipal electric utilities their proportionate shares of the costs incurred in the adjudication of complaints over rates when the complaints involve cooperative electric associations electing to become subject to rate regulation by the commission pursuant to under section 216B.02 216B.026, subdivision 4, shall be subject to this or are brought against a municipal electric utility under section 216B.17, subdivision 6. The department shall bill a cooperative electric association or municipal electric utility for costs under this subdivision, but the association or municipal utility need pay no more than two-fifths of one percent of the gross operating revenue from retail sales of electricity within the state in the last calendar year.*

Sec. 2. [237.461] [ENFORCEMENT.]

Subdivision 1. [ACTIONS.] This chapter and rules and orders of the commission adopted under this chapter may be enforced by any one or combination of: criminal prosecution, action to recover civil penalties, injunction, action to compel performance, and other appropriate action.

Subd. 2. [CIVIL PENALTY.] A person who violates a provision of this chapter or rule or order of the commission adopted under this chapter shall forfeit and pay to the state a penalty, in an amount to be determined by the court, of at least \$100 and not more than \$1,000 for each day of each violation. The civil penalties provided for in this section may be recovered by a civil action brought by the attorney general in the name of the state. Amounts recovered under this section must be paid into the state treasury.

Sec. 3. Minnesota Statutes 1988, section 237.51, subdivision 5, is amended to read:

Subd. 5. [DUTIES.] In addition to any duties specified elsewhere in sections 237.51 to 237.56, the board shall:

(1) define economic hardship, special needs, and household criteria so as to determine the priority of eligible applicants for initial distribution of devices and to determine circumstances necessitating provision of more than one communication device per household;

(2) establish a method to verify eligibility requirements;

(3) establish specifications for communication devices to be purchased under section 237.53, subdivision 3;

(4) enter contracts for the establishment and operation of the message relay service pursuant to section 237.54;

(5) inform the public and specifically the community of communication-impaired persons of the program;

(6) prepare the reports required by section 237.55;

(7) administer the fund created in section 237.52;

(8) ~~retain the services~~ *reestablish and fill the position of a program administrator in the unclassified service;*

(9) adopt rules, including emergency rules, under chapter 14 to implement the provisions of sections 237.50 to 237.56; and

(10) study the potential economic impact of the program on local communication device retailers and dispensers. Notwithstanding any provision of chapter 16B, the board shall develop guidelines for the purchase of some communication devices from local retailers and dispensers if the study determines that otherwise they will be economically harmed by implementation of sections 237.50 to 237.56.

Sec. 4. [TASK FORCE.]

The task force established by Laws 1989, chapter 309, is continued until January 31, 1992. The speaker of the house of representatives and the subcommittee on committees of the senate committee on rules and administration shall each appoint five members of their respective houses to the task force. At least one member from each house of the legislature must be a member of the minority caucus. The task force shall consider the results of the study required by section 5 and report its recommendations to the legislature by February 1, 1992.

Sec. 5. [STUDY.]

The department of public service shall employ the services of a consultant to study issues raised in the report required by Laws 1989, chapter 309, section 1. The study must focus on the effect of utility capacity on rates, and must attempt to identify procedures and processes to review and coordinate capacity planning by regulated and unregulated utilities so that adequate attention is given not only to ways to meet future demand, but also to forecast and find efficient use for surplus capacity. The public utilities commission shall cooperate with the department on the study. The commission may assess the costs of the study to the affected utilities, but

not more than \$200,000 less any amount assessed under Laws 1989, chapter 309, section 1, subdivision 6. The commission shall use the proceeds of any assessment under this section to cover its own costs and those incurred by the department, including the cost of employing a consultant and staff time.

Sec. 6. [APPROPRIATION.]

Assessments collected under section 5 are appropriated to the department of public service to cover the costs associated with the study required by section 5. The money is available until March 1, 1992. Any money from assessments unexpended on that date remains in the general fund."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "providing for civil penalties for violations of chapter 237; reestablishing the position of program administrator of the telecommunications access for communication-impaired persons board; extending the electric utility service area task force until 1992; requiring a study; appropriating money;"

Page 1, line 5, delete "section" and insert "sections" and before the period, insert "; and 237.51, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 237"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was re-referred

S.F. No. 2478: A bill for an act relating to human services; clarifying medical assistance payment rate procedures for hospitals; allowing case management for certain recipients of medical assistance; amending verification of pregnancy requirements for medical assistance eligibility; clarifying eligibility requirements for medical assistance and general assistance medical care; clarifying asset and income allowances for institutionalized spouses; clarifying services to be covered by medical assistance; establishing requirements for a relative's responsibility; expanding the homestead exclusion for medical assistance eligibility; establishing procedures for a vendor's request for a contested case proceeding; establishing requirements for claims against the estate of a recipient; clarifying procedures for enforcement of medical support; amending Minnesota Statutes 1988, sections 13.46, subdivision 5; 256B.04, subdivision 15; 256B.055, subdivisions 3, 5, and 6; 256B.056, subdivisions 2, 7, and by adding a subdivision; 256B.0625, subdivisions 4, 5, 9, and by adding subdivisions; 256B.15; 256B.19, by adding a subdivision; 256B.69, subdivision 3; 256D.03, subdivision 7; 518.171, subdivisions 1, 3, 4, and 7; Minnesota Statutes 1989 Supplement, sections 256.969, subdivisions 2c and 6a; 256.9695, subdivisions 1 and 3; 256B.055, subdivision 7; 256B.056, subdivisions 3 and 4; 256B.057, subdivisions 1, 2, and by adding subdivisions; 256B.0575; 256B.059, subdivisions 4 and 5; 256B.0595, subdivisions 1, 2, and 4; 256B.14; 256B.69, subdivision 16; 256D.03, subdivisions 3 and 4; 256D.425, subdivision 3; Laws 1989, chapter 282, article 3, section 98, subdivisions 4 and 5; proposing coding for new law in Minnesota Statutes, chapter 256B; repealing Minnesota Statutes 1989 Supplement, section 256B.055, subdivision 8.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 19, insert:

"Sec. 2. Minnesota Statutes 1989 Supplement, section 144.50, subdivision 6, is amended to read:

Subd. 6. [SUPERVISED LIVING FACILITY LICENSES.] (a) The commissioner may license as a supervised living facility a facility seeking medical assistance certification as an intermediate care facility for persons with mental retardation or related conditions for four or more persons as authorized under section 252.291.

(b) Class B supervised living facilities for six or less persons seeking medical assistance certification as an intermediate care facility for persons with mental retardation or related conditions shall be classified as follows for purposes of the state building code:

(1) Class B supervised living facilities for six or less persons must meet Group R, Division 3, occupancy requirements; and

(2) Class B supervised living facilities for seven to 16 persons must meet Group R, Division 1, occupancy requirements.

(c) Class B facilities classified under paragraph (b), clauses (1) and (2), must meet Group R, Division 3, occupancy requirements of the state building code, the fire protection provisions of chapter 21 of the 1985 life safety code, NFPA 101, for facilities housing persons with impractical evacuation capabilities, and except that Class B facilities licensed prior to the effective date of this enactment need only continue to meet institutional fire safety provisions. Class B supervised living facilities shall provide the necessary physical plant accommodations to meet the needs and functional disabilities of the residents. For Class B supervised living facilities licensed after the effective date of this enactment and housing nonambulatory or nonmobile persons, the corridor access to bedrooms, common spaces, and other resident use spaces must be at least five feet in clear width, except that a waiver may be requested in accordance with Minnesota Rules, part 4665.0600.

Sec. 3. Minnesota Statutes 1989 Supplement, section 252.46, subdivision 1, is amended to read:

Subdivision 1. [RATES FOR CALENDAR YEARS 1989 AND 1990.] Payment rates to vendors, except regional centers, for county-funded day training and habilitation services and transportation provided to persons receiving day training and habilitation services established by a county board for calendar years 1989 and 1990 are governed by subdivisions 2 to 40 11.

"Payment rate" as used in subdivisions 2 to 40 11 refers to three kinds of payment rates: a full-day service rate for persons who receive at least six service hours a day, including the time it takes to transport the person to and from the service site; a partial-day service rate that must not exceed 75 percent of the full-day service rate for persons who receive less than a full day of service; and a transportation rate for providing, or arranging and paying for, transportation of a person to and from the person's residence to the service site.

Sec. 4. Minnesota Statutes 1989 Supplement, section 252.46, subdivision 2, is amended to read:

Subd. 2. [~~1989 AND 1990 RATE MINIMUM.~~] Unless a variance is granted under subdivision 6, the minimum payment rates set by a county board for each vendor for ~~calendar years 1989 and 1990~~ must be equal to the payment rates approved by the commissioner for that vendor in effect ~~January 1, 1988, and January 1, 1989, respectively~~ of the previous calendar year.

Sec. 5. Minnesota Statutes 1989 Supplement, section 252.46, subdivision 3, is amended to read:

Subd. 3. [~~1989 AND 1990 RATE MAXIMUM.~~] Unless a variance is granted under subdivision 6, the maximum payment rates for each vendor for ~~calendar years 1989 and 1990~~ a calendar year must be equal to the payment rates approved by the commissioner for that vendor in effect ~~December 1, 1988, and December 1, 1989, respectively~~, of the previous calendar year increased by no more than the projected percentage change in the urban consumer price index, all items, published by the United States Department of Labor, for the upcoming calendar year over the current calendar year.

Sec. 6. Minnesota Statutes 1989 Supplement, section 252.46, subdivision 4, is amended to read:

Subd. 4. [NEW VENDORS.] Payment rates established by a county for ~~calendar years 1989 and 1990~~, for a new vendor for which there were no previous rates must not exceed 125 percent of the average payment rates in the regional development commission district under sections 462.381 to 462.396 in which the new vendor is located. *When at least 50 percent of the persons to be served by the new vendor are persons discharged from a regional treatment center on or after January 1, 1990, the recommended payment rates for the new vendor shall not exceed twice the current state-wide average payment rates.*

For purposes of this subdivision, persons discharged from the regional treatment center do not include persons who received temporary care under section 252A.111, subdivision 3.

Sec. 7. Minnesota Statutes 1989 Supplement, section 252.46, subdivision 12, is amended to read:

Subd. 12. [RATES ESTABLISHED AFTER 1990.] *Unless a variance is granted under subdivision 6, payment rates established by a county for calendar year 1990 and which are in effect December 31, 1990, remain in effect until June 30, 1991. Payment rates established by a county board to be paid to a vendor on or after ~~January~~ July 1, 1991, must be determined under permanent rules adopted by the commissioner. *Until permanent rules are adopted, the payment rates must be determined according to subdivisions 1 to 11 except for the period from July 1, 1991, through December 31, 1991, when the increase determined under subdivision 3 must not exceed the projected percentage change in the urban consumer price index, all items, published by the United States Department of Labor, for the current calendar year over the previous calendar year.* No county shall pay a rate that is less than the minimum rate determined by the commissioner.*

In developing procedures for setting minimum payment rates and procedures for establishing payment rates, the commissioner shall consider the

following factors:

- (1) a vendor's payment rate and historical cost in the previous year;
- (2) current economic trends and conditions;
- (3) costs that a vendor must incur to operate efficiently, effectively and economically and still provide training and habilitation services that comply with quality standards required by state and federal regulations;
- (4) increased liability insurance costs;
- (5) costs incurred for the development and continuation of supported employment services;
- (6) cost variations in providing services to people with different needs;
- (7) the adequacy of reimbursement rates that are more than 15 percent below the statewide average; and
- (8) other appropriate factors.

The commissioner may develop procedures to establish differing hourly rates that take into account variations in the number of clients per staff hour, to assess the need for day training and habilitation services, and to control the utilization of services.

In developing procedures for setting transportation rates, the commissioner may consider allowing the county board to set those rates or may consider developing a uniform standard.

Medical assistance rates for home and community-based services provided under section 256B.501 by licensed vendors of day training and habilitation services must not be greater than the rates for the same services established by counties under sections 252.40 to 252.47.

Sec. 8. [252.60] [METRO TRANSPORTATION SUPPORT GRANTS PROGRAM.]

Subdivision 1. [ESTABLISHMENT OF PROGRAM.] The commissioner shall establish and operate a metro transportation support grants program to reimburse metro mobility for transporting clients to day training and habilitation services for which client transportation is a required and funded component. The commissioner shall maximize the use of federal funds for this reimbursement. The commissioner shall establish a metro transportation support grants account in the department's chart of accounts.

Subd. 2. [RATES.] The payment rate established for each day training and habilitation services agency must include the costs of transportation to and from the agency. The commissioner may approve payment rates for day training and habilitation services that exceed the limits in section 252.46, subdivision 3, for vendors whose transportation costs increase as a result of action taken by the regional transit board under Laws 1988, chapter 684, article 2, section 3, or Laws 1989, chapter 269, section 35, or section 473.386, subdivision 4.

Subd. 3. [COUNTY SHARE FUNDING.] The commissioner shall distribute the county share of the metro transportation support grants program costs to all metropolitan counties from the metro transportation support grants account. For fiscal year 1991, money in the account shall be allocated as follows: Ramsey county, 48 percent; Hennepin county, 46 percent; Dakota county, five percent; and Anoka county, one percent. For

each fiscal year subsequent to fiscal 1991, the commissioner shall distribute money in the account annually based on each county's percentage of total expenses incurred for trips provided by metro mobility to and from day training and habilitation services during the preceding 12-month period. Counties must credit money received to the program accounts that incur the transportation expenses."

Page 9, after line 18, insert:

"(i) Admissions occurring on or after July 1, 1990, that are classified to a diagnostic category of mental health or chemical dependency must be paid at the rates established according to the methods in paragraph (8)."

Page 11, after line 26, insert:

"Sec. 13. [256B.035] [MANAGED CARE.]

The commissioner of human services may contract with public or private entities for case management services for medical assistance and general assistance medical care recipients identified by the commissioner as inappropriately using health care services. The commissioner may enter into risk-based and nonrisk-based contracts. Contracts may be for the full range of health services, or a portion thereof, for medical assistance and general assistance medical care populations to determine the effectiveness of various provider reimbursement and care delivery mechanisms. The commissioner may seek necessary federal waivers and implement projects when approval of the waivers is obtained from the Health Care Financing Administration of the United States Department of Health and Human Services."

Page 26, after line 11, insert:

"Sec. 37. Minnesota Statutes 1989 Supplement, section 256B.0625, subdivision 13, is amended to read:

Subd. 13. [DRUGS.] (a) Medical assistance covers drugs if prescribed by a licensed practitioner. The commissioner shall designate a formulary committee to advise the commissioner on the names of drugs for which payment is made, recommend a system for reimbursing providers on a set fee or charge basis rather than the present system, and develop methods encouraging use of generic drugs when they are less expensive and equally effective as trademark drugs. The commissioner shall appoint the formulary committee members no later than 30 days following July 1, 1981. The formulary committee shall consist of nine members, four of whom shall be physicians who are not employed by the department of human services, and a majority of whose practice is for persons paying privately or through health insurance, three of whom shall be pharmacists who are not employed by the department of human services, and a majority of whose practice is for persons paying privately or through health insurance, a consumer representative, and a nursing home representative. Committee members shall serve two-year terms and shall serve without compensation. The commissioner may establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act, but the formulary committee shall review and comment on the formulary contents. Prior authorization may be required by the commissioner, with the consent of the drug formulary committee, before certain formulary drugs are eligible for payment. The formulary shall not include: drugs or products for which there is no federal funding; over-the-counter drugs,

except for antacids, acetaminophen, family planning products, aspirin, insulin, and vitamins for children under the age of seven and pregnant or nursing women; or any other over-the-counter drug identified by the commissioner, in consultation with the appropriate professional consultants under contract with or employed by the state agency, as necessary, appropriate and cost effective for the treatment of certain specified chronic diseases, conditions or disorders, and this determination shall not be subject to the requirements of chapter 14, the administrative procedure act; nutritional products, except for those products needed for treatment of phenylketonuria, hyperlysinemia, maple syrup urine disease, a combined allergy to human milk, cow milk, and soy formula, or any other childhood or adult diseases, conditions, or disorders identified by the commissioner as requiring a similarly necessary nutritional product; anorectics; and drugs for which medical value has not been established. Separate payment shall not be made for nutritional products for residents of long-term care facilities; payment for dietary requirements is a component of the per diem rate paid to these facilities. Payment to drug vendors shall not be modified before the formulary is established except that the commissioner shall not permit payment for any drugs which may not by law be included in the formulary, and the commissioner's determination shall not be subject to chapter 14, the administrative procedure act. The commissioner shall publish conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

(b) The basis for determining the amount of payment shall be the lower of the actual acquisition costs of the drugs plus a fixed dispensing fee established by the commissioner, the maximum allowable cost set by the federal government or by the commissioner plus the fixed dispensing fee or the usual and customary price charged to the public. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. The actual acquisition cost of a drug may be estimated by the commissioner. The maximum allowable cost of a multisource drug may be set by the commissioner and it shall be comparable to, but no higher than, the maximum amount paid by other third party payors in this state who have maximum allowable cost programs. Establishment of the amount of payment for drugs shall not be subject to the requirements of the administrative procedure act. ~~An additional dispensing fee of \$-.30 may be added to the dispensing fee paid to pharmacists for prescriptions dispensed to residents of long-term care facilities when a unit dose blister card system, approved by the department, is used.~~ Under ~~this~~ a unit dose type of dispensing system, the pharmacist must dispense a 30-day supply of drug. The National Drug Code (NDC) from the drug container used to fill the blister card must be identified on the claim to the department. The unit dose blister card containing the drug must meet the packaging standards set forth in Minnesota Rules, part 6800.2700, that govern the return of unused drugs to the pharmacy for reuse. The pharmacy provider will be required to credit the department for the actual acquisition cost of all unused drugs that are eligible for reuse. *Over-the-counter medications must be dispensed in the manufacturer's unopened package.* Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifically indicates "dispense as written" on the prescription as required by section 151.21, subdivision 2. Implementation of any change in the fixed dispensing fee that has not been subject to the administrative procedure act is

limited to not more than 180 days, unless, during that time, the commissioner initiates rulemaking through the administrative procedure act.”

Page 28, line 4, strike everything after the period

Page 28, strike lines 5 to 15

Page 28, line 16, strike everything before the third “The”

Page 28, after line 35, insert:

“Subd. 3. [PARENTAL CONTRIBUTION.] (a) *The parents of a minor child must contribute monthly to the cost of health care if the child is determined eligible for medical assistance without consideration of parental income, unless the child is married or has been married, parental rights have been terminated, or the child's adoption is subsidized according to section 259.40 or through title IV-E of the Social Security Act.*

(b) *The parental contribution equals 15 percent of the parent's income that exceeds 200 percent of the federal poverty guidelines for the applicable household size including the child receiving medical assistance, reduced by the following amounts:*

- (1) *\$200 if the child lives with the parent;*
- (2) *the personal needs allowance under section 256B.35 if the child resides in an institution specified in that section;*
- (3) *any contribution required under section 252.27, subdivision 2, for the cost of foster care or social services; and*
- (4) *any amount required to be paid directly to the child pursuant to a court order, and only if actually paid.*

(c) *The contribution amount shall be reviewed upon eligibility redetermination or upon request of the responsible relative. The contribution shall be made on a monthly basis beginning with the first month in which the child receives medical assistance. If the parental contribution paid during a state fiscal year exceeds the actual cost of care to the medical assistance program for that year, the state shall reimburse the parent within 18 months from the end of the fiscal year, either by direct reimbursement if the parent is no longer required to pay a contribution, or by a reduction in or waiver of parental fees until the excess amount is exhausted.*

(d) *For purposes of paragraph (b), “income” means the amount reported as adjusted gross income on the most recent federal income tax return.*

(e) *Divorced parents of a minor child shall each pay the contribution required under paragraph (a), except that a court-ordered child support payment actually paid on behalf of the child receiving medical assistance shall be deducted from the contribution of the parent making the payment.*

(f) *The contribution under paragraph (b) shall be increased to 20 percent if the local agency determines that insurance coverage is available but not obtained for the child. For purposes of this section, “available” means the insurance is a benefit of employment for a family member at an annual cost of no more than five percent of the family's annual income. For purposes of this section, insurance means health and accident insurance coverage, enrollment in a nonprofit health service plan, health maintenance organization, self-insured plan, or preferred provider organization.*

(g) *For parents with more than one child for whom they are responsible*

for a contribution under this section, the total contribution shall not exceed the contribution required for the child with the highest health care expenditures eligible for medical assistance payment."

Page 28, line 36, delete "Subd. 3." and insert "Subd. 4."

Page 29, line 6, delete "Subd. 4." and insert "Subd. 5."

Page 31, lines 12 and 14, before "demonstration" insert "pilot or"

Page 31, after line 15, insert:

"Sec. 45. Minnesota Statutes 1988, section 256B.431, is amended by adding a subdivision to read:

Subd. 11. [SPECIAL PROPERTY RATE SETTING PROCEDURES FOR CERTAIN NURSING HOMES.] Notwithstanding Minnesota Rules, part 9549.0060, subpart 13, item H, to the contrary, for the rate year beginning July 1, 1990, a nursing home leased prior to January 1, 1986, and currently subject to adverse licensure action under section 144A.04, subdivision 4, paragraph (a), or 144A.11, subdivision 2, and whose ownership changes prior to July 1, 1990, shall be allowed a property related payment equal to the lesser of its current lease obligation divided by its capacity days as determined in Minnesota Rules, part 9549.0060, subpart 11, as modified by subdivision 3f, paragraph (c), or the frozen property related payment rate in effect for the rate year beginning July 1, 1989. For rate years beginning on or after July 1, 1991, the property related payment rate shall be its rental rate computed using the previous owner's allowable principal and interest expense as allowed by the department prior to that prior owner's sale and lease-back transaction of December 1985.

Sec. 46. Minnesota Statutes 1988, section 256B.501, subdivision 3e, is amended to read:

Subd. 3e. [INCREASE IN LIMITS.] For rate years beginning on or after October 1, 1990, the commissioner shall increase the administrative cost per licensed bed limit in subdivision 3d, paragraph (c), and the maintenance operating cost limit in Minnesota Rules, part 9553.0050, subpart 1, item A, subitem (2), by multiplying the administrative operating cost per bed limit and the maintenance operating cost limit by the composite forecasted index in subdivision 3c except that the index shall be based on the 12 months between the midpoints of the two preceding reporting years."

Page 37, after line 36, insert:

"Sec. 51. Minnesota Statutes 1989 Supplement, section 256D.03, subdivision 6, is amended to read:

Subd. 6. [DIVISION OF COSTS.] The state share of local agency expenditures for general assistance medical care shall be 90 percent and the county share shall be ten percent. Payments made under this subdivision shall be made in accordance with sections 256B.041, subdivision 5 and 256B.19, subdivision 1. In counties where a pilot or demonstration project is operated for general assistance medical care services, the state may pay 100 percent of the costs of administering the pilot or demonstration project. Reimbursement for these costs is subject to section 256.025.

Beginning July 1, 1991, the state will reimburse counties according to the payment schedule in section 256.025 for the county share of costs incurred under this subdivision from January 1, 1991, on. Payment to counties under this subdivision is subject to the provisions of section 256.017.

Notwithstanding any provision to the contrary, beginning July 1, 1991, the state shall pay 100 percent of the costs for centralized claims processing by the department of administration relative to claims beginning January 1, 1991, and submitted on behalf of general assistance medical care recipients by vendors in the general assistance medical care program.

Beginning July 1, 1991, the state shall reimburse counties up to the limit of state appropriations for general assistance medical care common carrier transportation and related travel expenses provided for medical purposes after December 31, 1990. Reimbursement shall be provided according to the payment schedule set forth in section 256.025. For purposes of this subdivision, transportation shall have the meaning given it in Code of Federal Regulations, title 42, section 440.170(a), as amended through October 1, 1987, and travel expenses shall have the meaning given in Code of Federal Regulations, title 42, section 440.170(a)(3), as amended through October 1, 1987.

The county shall ensure that only the least costly most appropriate transportation and travel expenses are used. The state may enter into volume purchase contracts, or use a competitive bidding process, whenever feasible, to minimize the costs of transportation services. If the state has entered into a volume purchase contract or used the competitive bidding procedures of chapter 16B to arrange for transportation services, the county may be required to use such arrangements to be eligible for state reimbursement for general assistance medical care common carrier transportation and related travel expenses provided for medical purposes.

In counties where prepaid health plans are under contract to the commissioner to provide services to general assistance medical care recipients, the cost of court ordered treatment that does not include diagnostic evaluation, recommendation, or referral for treatment by the prepaid health plan is the responsibility of the county of financial responsibility.”

Page 42, after line 11, insert:

“Sec. 61. [INFLATION ADJUSTMENT FOR PAYMENTS FOR CERTAIN HOME AND COMMUNITY-BASED MEDICAL CARE AND NURSING HOME SCREENINGS.]

Until June 30, 1993, the commissioner of human services shall provide an annual adjustment of not more than four percent for payment rates for private duty nursing services, personal care services, home and community-based waived services, and alternative care grant services for persons classified as 180-day eligible.

Sec. 62. [INFLATION ADJUSTMENT FOR LONG-TERM CARE FACILITIES.]

Subdivision 1. [NURSING HOMES.] Notwithstanding contrary provisions of Minnesota Statutes, section 256B.431, and Minnesota Rules, part 9549.0055, for the rate year beginning July 1, 1990, only, the forecasted composite price index for a nursing home's allowable operating cost per diems shall be determined using Data Resources, Inc., forecast for change in the Nursing Home Market Basket. The commissioner of human services shall use the indices as forecasted by Data Resources, Inc., in the fourth quarter of the calendar year preceding the rate year.

Subd. 2. [ICF-MR FACILITIES.] Notwithstanding Minnesota Statutes, section 256B.501, subdivision 3c, and rules adopted under it, for rate years

beginning on or after October 1, 1990, but before October 1, 1991, only, the commissioner shall index a facility's allowable operating costs in the program, maintenance, and administrative operating cost categories by using Data Resources, Inc., forecast for change in the Consumer Price Index-All Items (U.S. city average) (CPI-U). The commissioner shall use the indices as forecasted by Data Resources, Inc., in the first quarter of the calendar year in which the rate year begins.

Sec. 63. [TRANSFER OF APPROPRIATIONS.]

For fiscal year 1991, the appropriation to the regional transit board for metro mobility in Laws 1989, chapter 269, section 3, subdivision 3, is reduced by \$1,996,000, and the appropriation to the department of human services in Laws 1989, chapter 282, article 1, section 2, is increased by \$1,996,000 to provide fiscal year 1991 funding for the metro transportation support grants program. Of this amount, \$937,000 is added to the appropriation for the medical assistance program in Laws 1989, chapter 282, article 1, section 2, subdivision 7, and \$1,059,000 must be deposited in the metro transportation support grants account. For subsequent fiscal years, the commissioner of human services shall include a request for money for the metro transportation support grants program in the department's biennial budget."

Page 42, line 16, delete "34" and insert "43"

Page 42, line 19, delete "23" and insert "31"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 18, after the semicolon, insert "changing rates for day training and habilitation services for persons with mental retardation and related conditions; authorizing managed care contracts for medical assistance recipients using medical care inappropriately; limiting the use of unit-dose dispensing of drugs in long-term care facilities; changing parental contribution requirements for children on medical assistance; revising inflation indices for long-term care facilities; authorizing general assistance medical care demonstration projects; limiting inflation adjustments for rates for home and community-based medical care; establishing a metro transportation support grants program; authorizing special property rate payments for certain nursing homes; modifying life safety requirements for supervised living facilities; transferring money;"

Page 1, line 24, after the first semicolon, insert "256B.431, by adding a subdivision; 256B.501, subdivision 3e;"

Page 1, line 26, after "sections" insert "144.50, subdivision 6; 252.46, subdivisions 1, 2, 3, 4, and 12;"

Page 1, line 31, after "4;" insert "256B.0625, subdivision 13;"

Page 1, lines 32 and 33, delete "and 4" and insert ", 4, and 6"

Page 1, line 35, delete "chapter" and insert "chapters 252; and"

And when so amended the bill be re-referred to the Committee on Finance without recommendation. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2242 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				2242	2264

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2242 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2242 and insert the language after the enacting clause of S.F. No. 2264, the first engrossment; further, delete the title of H.F. No. 2242 and insert the title of S.F. No. 2264, the first engrossment.

And when so amended H.F. No. 2242 will be identical to S.F. No. 2264, and further recommends that H.F. No. 2242 be given its second reading and substituted for S.F. No. 2264, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1067 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				1067	1551

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1067 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1067 and insert the language after the enacting clause of S.F. No. 1551, the first engrossment; further, delete the title of H.F. No. 1067 and insert the title of S.F. No. 1551, the first engrossment.

And when so amended H.F. No. 1067 will be identical to S.F. No. 1551, and further recommends that H.F. No. 1067 be given its second reading and substituted for S.F. No. 1551, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2135 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				2135	2024

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2135 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2135 and insert the language after the enacting clause of S.F. No. 2024, the first engrossment; further, delete the title of H.F. No. 2135 and insert the title of S.F. No. 2024, the first engrossment.

And when so amended H.F. No. 2135 will be identical to S.F. No. 2024, and further recommends that H.F. No. 2135 be given its second reading and substituted for S.F. No. 2024, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2204 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				2204	2153

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2204 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2204 and insert the language after the enacting clause of S.F. No. 2153, the second engrossment; further, delete the title of H.F. No. 2204 and insert the title of S.F. No. 2153, the second engrossment.

And when so amended H.F. No. 2204 will be identical to S.F. No. 2153, and further recommends that H.F. No. 2204 be given its second reading and substituted for S.F. No. 2153, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1981 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1981	2084				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1981 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1981 and insert the language after the enacting clause of S.F. No. 2084, the first engrossment; further, delete the title of H.F. No. 1981 and insert the title of S.F. No. 2084, the first engrossment.

And when so amended H.F. No. 1981 will be identical to S.F. No. 2084, and further recommends that H.F. No. 1981 be given its second reading and substituted for S.F. No. 2084, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1921 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1921	1784				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1921 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1921 and insert the language after the enacting clause of S.F. No. 1784, the first engrossment; further, delete the title of H.F. No. 1921 and insert the title of S.F. No. 1784, the first engrossment.

And when so amended H.F. No. 1921 will be identical to S.F. No. 1784, and further recommends that H.F. No. 1921 be given its second reading and substituted for S.F. No. 1784, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1983 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1983	2384				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1983 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1983 and insert the language after the enacting clause of S.F. No. 2384, the first engrossment; further, delete the title of H.F. No. 1983 and insert the title of S.F. No. 2384, the first engrossment.

And when so amended H.F. No. 1983 will be identical to S.F. No. 2384, and further recommends that H.F. No. 1983 be given its second reading and substituted for S.F. No. 2384, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2062 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2062	1936				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2062 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2062 and insert the language after the enacting clause of S.F. No. 1936; further, delete the title of H.F. No. 2062 and insert the title of S.F. No. 1936.

And when so amended H.F. No. 2062 will be identical to S.F. No. 1936, and further recommends that H.F. No. 2062 be given its second reading and substituted for S.F. No. 1936, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1987 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File

as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1987	1850				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1987 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1987 and insert the language after the enacting clause of S.F. No. 1850, the first engrossment; further, delete the title of H.F. No. 1987 and insert the title of S.F. No. 1850, the first engrossment.

And when so amended H.F. No. 1987 will be identical to S.F. No. 1850, and further recommends that H.F. No. 1987 be given its second reading and substituted for S.F. No. 1850, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2012 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2012	1902				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2012 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2012 and insert the language after the enacting clause of S.F. No. 1902, the first engrossment; further, delete the title of H.F. No. 2012 and insert the title of S.F. No. 1902, the first engrossment.

And when so amended H.F. No. 2012 will be identical to S.F. No. 1902, and further recommends that H.F. No. 2012 be given its second reading and substituted for S.F. No. 1902, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1841 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1841	1770				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1841 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1841 and insert the language after the enacting clause of S.F. No. 1770; further, delete the title of H.F. No. 1841 and insert the title of S.F. No. 1770.

And when so amended H.F. No. 1841 will be identical to S.F. No. 1770, and further recommends that H.F. No. 1841 be given its second reading and substituted for S.F. No. 1770, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1857 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1857	2356				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1857 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1857 and insert the language after the enacting clause of S.F. No. 2356, the first engrossment; further, delete the title of H.F. No. 1857 and insert the title of S.F. No. 2356, the first engrossment.

And when so amended H.F. No. 1857 will be identical to S.F. No. 2356, and further recommends that H.F. No. 1857 be given its second reading and substituted for S.F. No. 2356, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2294 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2294	2212				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2294 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2294 and insert the language after the enacting clause of S.F. No. 2212, the first engrossment; further, delete the title of H.F. No. 2294 and insert the title of S.F. No. 2212, the first engrossment.

And when so amended H.F. No. 2294 will be identical to S.F. No. 2212, and further recommends that H.F. No. 2294 be given its second reading and substituted for S.F. No. 2212, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2521 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2521	2286				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2212 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2212	2310				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2212 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2212 and insert the language after the enacting clause of S.F. No. 2310, the first engrossment; further, delete the title of H.F. No. 2212 and insert the title of S.F. No. 2310, the first engrossment.

And when so amended H.F. No. 2212 will be identical to S.F. No. 2310,

and further recommends that H.F. No. 2212 be given its second reading and substituted for S.F. No. 2310, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Elections and Ethics, to which was referred the following appointment as reported in the Journal for March 1, 1990:

STATE ETHICAL PRACTICES BOARD

Vanne Hayes

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Hughes from the Committee on Elections and Ethics, to which was referred the following appointment as reported in the Journal for March 19, 1990:

STATE ETHICAL PRACTICES BOARD

Bruce Willis

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Pehler from the Committee on Education, to which were referred the following appointments as reported in the Journal for February 22, 1990:

BOARD OF THE MINNESOTA CENTER FOR ARTS EDUCATION

William Jones

MINNESOTA HIGHER EDUCATION COORDINATING BOARD

Mark Bergmann

Duane Scribner

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Pehler from the Committee on Education, to which were referred the following appointments as reported in the Journal for March 5, 1990:

STATE BOARD OF EDUCATION

Erling O. Johnson
Alan T. Zdon

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Pehler from the Committee on Education, to which were referred the following appointments as reported in the Journal for February 12, 1990:

BOARD OF THE MINNESOTA CENTER FOR ARTS EDUCATION

Philip Brunelle
Joe Duffy
Garland Wright

**DEPARTMENT OF EDUCATION
COMMISSIONER**

Tom Nelson

MINNESOTA HIGHER EDUCATION COORDINATING BOARD

Marilyn Bryant
Paul Day
Roger Nierengarten

MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY

Jack Amundson
Carol Blomberg

STATE BOARD FOR COMMUNITY COLLEGES

James B. Collier
Pierre Mattei

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

SECOND READING OF SENATE BILLS

S.F. Nos. 1769, 2566, 1706, 2105, 2564, 2477, 2318, 2195, 2034, 2490, 2536 and 2317 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 2242, 1067, 2135, 2204, 1981, 1921, 1983, 2062, 1987, 2012, 1841, 1857, 2294, 2521 and 2212 were read the second time.

MOTIONS AND RESOLUTIONS

S.F. No. 60 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 60

A bill for an act relating to water; recodifying, clarifying, and relocating provisions relating to water law; amending Minnesota Statutes 1988, sections 9.071; 16B.62, subdivision 1; 18.191; 18B.07, subdivision 6; 40A.13, subdivision 1; 41B.039, subdivision 3; 84.083, by adding subdivisions; 84.91, subdivision 4; 84.911, subdivisions 5 and 6; 84.95, subdivision 2; 85.33, subdivision 3; 86A.05, subdivision 10; 88.43, subdivision 2; 93.335, subdivision 1; 94.343, subdivision 4; 97A.015, subdivision 41; 97A.071, subdivision 4; 97A.101, subdivision 2; 115.097, subdivision 2; 144.95, subdivision 4; 156A.10, subdivision 2; 161.28, subdivision 1; 163.17; 272.02, subdivisions 1 and 6; 273.19, subdivision 5; 295.44, subdivision 1; 357.021, subdivision 2; 375.471; 383A.602, subdivision 5; 383A.604, subdivision 1; 394.25, subdivision 2; 459.20; 462.357, subdivision 1; 465.20; 469.141, subdivision 4; 469.174, subdivision 19; 471.345, subdivision 3; 471.591, subdivision 1; 471.98, subdivision 2; 473.191, subdivision 2; 609.68; and 645.44, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 83A; 97C; 156A; and 383B; proposing coding for new law as Minnesota Statutes, chapters 86B; 103A; 103B; 103C; 103D; 103E; 103F; and 103G; repealing Minnesota Statutes 1988, sections 40.01 to 40.45; 84.031; 84.032; and 84.158; 104.01 to 104.50; 105.37 to 105.81; 106A.005 to 106A.811; 110.13 to 110.72; 110B.01 to 110B.35; 112.34 to 112.89; 114.12 and 114.13; 114B.01 to 114B.07; 116C.41; 361.01 to 361.29; 378.01 to 378.57; 465.18; and 473.875 to 473.883.

March 14, 1990

The Honorable Jerome M. Hughes
President of the Senate

The Honorable Robert Vanasek
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 60, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 60 be further amended as follows:

Page 2, line 30, delete "is" and insert "are"

Page 3, line 11, delete "111.72" and insert "110.72"

Page 4, line 2, after "enforce" insert a comma

Page 4, after line 34, insert:

"Subd. 2. [AGENCY.] "Agency" means a state officer, board, commission, bureau, division, or agency, other than a court, exercising duty or authority under laws listed in section 12. [105.73 s. 4]"

Page 4, line 35, delete "2" and insert "3"

Page 5, delete lines 1 to 7

Page 5, line 8, delete "5" and insert "4"

Page 5, after line 10, insert:

“Subd. 5. [PROCEEDING.] “Proceeding” means a procedure under any of the laws listed in section 12 that involves administrative discretion or duty. [105.73 s. 3]”

Page 5, line 26, after “under” insert “section 22;”

Page 5, line 27, delete “26,” and insert “22; 25; 27; 28; 29; 32, subdivisions 1 and 2; 33 to 36; 37, subdivisions 1, 10, 11, and 12; 38; 39;”

Page 5, delete line 28

Page 5, line 29, delete everything before “sections”

Page 6, line 30, delete “will” and insert “shall”

Page 11, line 3, delete “agencies”

Page 11, line 6, delete “and”

Page 11, line 7, after “agency” insert “; and

(5) University of Minnesota”

Page 12, line 28, delete “section 26” and insert “sections 11” and after “9” insert “, and 26”

Page 13, line 16, before the semicolon insert “including a new plan and strategy by November 15, 1990, and each five-year interval afterwards”

Page 13, line 19, delete “and”

Page 13, line 20, after “(4)” insert “coordinate development of state water policy recommendations and priorities, and a recommended program for funding identified needs, including priorities for implementing the state water resources monitoring plan;

(5) in cooperation with state agencies participating in the monitoring of water resources, develop a plan for monitoring the state's water resources;

(6)”

Page 13, line 21, after “interests” insert “;

(7) ensure that groundwater quality monitoring and related data is provided and integrated into the Minnesota land management information system 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;

(8) identify water resources information and education needs, priorities, and goals and prepare an implementation plan to guide state activities relating to water resources information and education;

(9) coordinate the development and evaluation of water information and education materials and resources; and

(10) coordinate the dissemination of water information and education through existing delivery systems”

Page 13, after line 24, insert:

“Subd. 3. [CONSISTENCY OF STATE INFORMATION ACTIVITIES.] State agency information and education activities must be consistent with the implementation plan required under subdivision 1, clause (8).”

Page 17, line 23, delete "45" and insert "49"

Page 18, after line 30, insert:

"Subd. 4. [APPROPRIATIONS FROM SMALL WATERCOURSES.] (a) This subdivision applies in Hennepin and Ramsey counties to the following public waters:

(1) a public water basin or wetland wholly within the county that is less than 500 acres; or

(2) a protected watercourse that has a drainage area of less than 50 square miles.

(b) An appropriation of water that is below the minimum established in article 7, section 27, subdivision 4, for a nonessential use, as defined under article 7, section 31, is prohibited unless a permit is obtained from the watershed district or watershed management organization having jurisdiction over the public water basin, wetland, or watercourse. The watershed district or watershed management organization may impose a fee to cover the cost of issuing the permit. This subdivision must be enforced by the home rule charter or statutory city where the appropriation occurs. Violation of this subdivision is a petty misdemeanor, except that a second violation within a year is a misdemeanor. Affected cities shall mail notice of this law to affected riparian landowners. [473.877 s. 4]

Subd. 5. [APPROPRIATIONS FROM SMALL WATERCOURSES.] This subdivision applies in Hennepin and Ramsey counties to the following public waters:

(1) a public water basin or wetland wholly within the county that is less than 500 acres; or

(2) a protected watercourse that has a drainage area of less than 50 square miles.

An appropriation of water that is below the minimum established in article 7, section 27, subdivision 4, for a nonessential use, as defined in article 7, section 31, is prohibited unless a permit is obtained from the watershed district or watershed management organization having jurisdiction over the public water basin, wetland, or watercourse. The watershed district or watershed management organization may impose a fee to cover the cost of issuing the permit. This subdivision must be enforced by the home rule charter or statutory city where the appropriation occurs. Violation of this subdivision is a petty misdemeanor, except that a second violation within a year is a misdemeanor. Affected cities shall mail notice of this law to adjoining landowners. [473.877 s. 5]"

Page 18, line 35, delete "subdivision" and insert "section"

Page 20, line 27, delete "subdivision" and insert "section"

Page 21, line 35, delete "subdivision" and insert "section"

Page 30, line 31, delete "levied"

Page 30, line 32, delete everything after "exceed"

Page 30, delete line 33

Page 30, line 34, delete everything before "on" and insert "0.02418 percent of market value" and after "on" insert "taxable"

Page 31, line 6, delete everything after the period

Page 31, delete lines 7 and 8

Page 31, line 9, delete the new language

Page 32, line 27, delete "*Within*" and insert "*At least*"

Page 34, line 2, delete "*an ad valorem*" and insert "*a*"

Page 34, line 14, delete everything after "*exceed*"

Page 34, delete line 15

Page 34, line 16, delete everything before the comma and insert "*0.02418 percent of taxable market value*"

Page 38, lines 13 and 35, delete "*section 30*" and insert "*sections 30 and 31*"

Page 39, line 10, delete "*soil and*" and after "*water*" insert "*and soil*"

Page 40, line 20, delete "*12*" and insert "*13*"

Page 42, line 35, after "*quantity*" insert "*, and sensitive areas, wellhead protection areas,*"

Page 46, line 4, delete "*the comprehensive*" and insert "*sections 17 to 28*"

Page 46, line 5, delete "*local water management act*"

Page 46, line 10, delete "*Minnesota future resources*" and insert "*legislative*" and after "*commission*" insert "*on Minnesota resources*"

Page 46, line 13, delete "*the comprehensive local water management act*" and insert "*sections 17 to 28*"

Page 48, line 15, delete "*the comprehensive*" and insert "*sections 17 to 28*"

Page 48, line 16, delete "*local water management act*"

Page 48, line 23, delete "*the comprehensive local water management act*" and insert "*sections 17 to 28*"

Page 49, line 9, delete everything after the period

Page 49, delete lines 10 to 12

Page 50, lines 3 and 4, delete "*the comprehensive local water management act*" and insert "*sections 17 to 28*" and delete everything after the period

Page 50, delete lines 5 to 7

Page 50, line 8, delete everything before "*The*" and delete everything after "*of*" and insert "*the levy up to 0.01813 percent of taxable market value*"

Page 50, delete lines 9 and 10

Page 50, line 11, delete everything before "*is*"

Page 50, line 17, delete "*the comprehensive local water management act*" and insert "*sections 17 to 28*"

Page 51, line 29, delete "*Minnesota future resources*" and insert "*legislative*" and after "*commission*" insert "*on Minnesota resources*"

Page 51, lines 30 and 31, delete "*the comprehensive local water management act*" and insert "*sections 17 to 28*"

Page 51, line 34, delete "*the comprehensive local water management act*" and insert "*sections 17 to 28*"

Page 52, line 5, delete "*The comprehensive local water management act does*" and insert "*Sections 17 to 28 do*"

Page 58, line 17, delete "*boards*" and insert "*board*"

Page 58, line 24, after "*held*" insert a comma

Page 61, lines 21 and 24, delete "*21*" and insert "*22*"

Page 62, line 19, delete "*59 and 62*" and insert "*60 and 63*"

Page 65, line 13, after "*terminated*" insert "*under subdivision 2*"

Page 65, line 30, delete "*The term*"

Page 65, line 31, delete "*and*" and insert "*or*" and delete "*cities*" and insert "*city*"

Page 65, line 34, delete "*and*" and insert "*or*" and after the period insert "[MN L 1967, c 907, sec 1, 12]"

Page 66, line 29, delete everything after "*115,*"

Page 66, line 30, delete everything before the second "*and*"

Page 67, line 5, delete "*initiation of*"

Page 68, line 3, delete "*for which*" and insert "*, section 54;*"

Page 71, line 4, delete everything after "*exceed*" and insert "*.00242 percent of taxable market value*"

Page 71, delete line 5

Page 71, line 6, delete everything before "*on*"

Page 71, line 15, delete "*lake*"

Page 71, line 16, delete "*conservation*"

Page 71, line 24, after the period insert "[MN L 1969, c 272, sec 6]"

Page 72, line 4, after the period insert "[MN L 1969, c 272, sec 6]"

Page 72, lines 8 and 15, delete "*lake conservation*"

Page 73, line 5, after the second comma insert "*as amended by Laws 1974, chapter 111, and Laws 1977, chapter 322,*"

Page 73, line 27, delete "*one member*" and insert "*two members*"

Page 73, line 29, after the second "*2*" insert "*;* MN L 1977, c 322, sec 2"

Page 73, line 36, after "*(2)*" insert "*limit the use of motors, including their types and horsepower, on the lake;*

(3)"

Renumber the clauses in article 2, section 59, subdivision 2, accordingly

Page 74, line 33, delete “and”

Page 75, line 1, delete “lake conservation” and before the period insert “; and

(14) to require the submission of all plans pertaining to or affecting construction or other lakeshore use on any lot or parcel of land abutting the shoreline including: length of setback from the shoreline, adjoining property, or any street or highway; problems of population density; possible water, air or visual pollution; or height of construction. The board shall have 60 days after submission of plans or any part thereof for review. If, within 60 days of submission the board finds the plan or any part is inconsistent with its plans or ordinances, it may recommend that the plan or any part be revised and resubmitted”

Page 75, line 2, after “3” insert “; MN L 1974, c 111, sec 1”

Page 75, line 9, delete everything after “membership” and insert “the following officers to serve for a period of one year: chair, vice-chair, secretary, and treasurer. The offices of secretary and treasurer shall be combined unless a resolution is adopted to the contrary by the board prior to the election.”

Page 75, delete line 10

Page 75, line 12, after “1” insert “; MN L 1977, c 322, sec 3”

Page 76, line 31, delete “governing” and delete “of the district”

Page 78, lines 1 and 8, delete “lake conservation”

Page 78, line 27, delete everything after “except”

Page 78, line 28, delete everything before “a”

Page 78, line 29, after “4” insert “; MN L 1974, c 111, sec 2”

Page 79, line 12, delete everything after “exceed” and insert “.02418 percent of taxable market value”

Page 79, delete line 13

Page 79, line 14, delete everything before “on”

Page 80, line 15, delete “each” and delete “agency” and insert “agencies” and delete “possesses” and insert “possess”

Page 80, line 17, delete “a”

Page 80, line 18, delete “district” and insert “districts”

Page 81, line 2, after “state” insert “or the United States” and after the comma insert “or”

Page 81, line 3, after “agency” insert “or instrumentality” and delete “, and” and insert “or”

Page 88, line 14, delete “has” and insert “is considered to have”

Page 90, line 34, delete “The” and insert “Only”

Page 92, line 26, after the period insert “[40.14]”

Page 93, line 14, delete “will” and insert “shall”

Page 93, line 17, delete “will” in both places and insert “shall”

Page 94, line 36, delete "*the successors of the*"

Page 95, line 8, delete everything after "(a)"

Page 95, line 9, delete "*before the general election,*" and after "*shall*" insert "*immediately*"

Page 100, line 31, after "*land*" insert "*specified in section 2*"

Page 102, line 21, after "*succession*" insert "*unless terminated as provided in section 10*"

Page 104, line 15, delete everything after "*offices*"

Page 104, line 16, delete everything before the first comma

Page 112, line 2, delete "*and 2*" and insert "*to 3*"

Page 114, line 36, delete "*subdivision*" and insert "*section*"

Page 118, line 16, delete "*sections 24 to 30*" and insert "*section 26 or 27*"

Page 119, line 24, delete the first comma and insert "*or*" and delete everything after "*subdivision*"

Page 119, line 25, delete "*state*" and after the first period insert "*Interested party includes the director or any agency of government.*"

Page 119, line 30, delete "*determined by inquiry*" and insert "*obtained*"

Page 120, line 20, delete "*includes*" and insert "*means*"

Page 120, line 25, delete "*includes*" and insert "*mean*"

Page 120, line 35, after "*authority*" insert "*after the filing of an establishment petition*"

Page 123, line 5, delete "*or all*"

Page 123, line 31, delete "*groundwater*" and insert "*it*"

Page 124, line 20, delete "*may*" and insert "*must*"

Page 129, line 12, delete "*and a*"

Page 129, line 13, delete "*public corporation*"

Page 129, line 27, after "*mailed*" insert "*immediately*"

Page 129, line 33, delete "*a*"

Page 129, line 34, delete "*area*" and insert "*areas*"

Page 136, line 18, after "*not*" insert "*make determinations or*"

Page 136, line 19, delete everything before "*more*" and insert "*accept termination petitions for watershed districts*"

Page 136, line 34, delete "*112.41*" and insert "*112.411*"

Page 136, line 36, delete "*that*" and insert "*who*"

Page 137, line 9, delete "*be conditioned*" and insert "*state*"

Page 137, line 11, delete everything after "*dismissed*" and insert "*or denied.*"

Page 137, line 12, delete "*not terminated.*"

Page 137, line 28, delete the second “*statement*” and insert “*petition*”

Page 138, line 20, delete “*of the state*”

Page 143, line 31, delete “; 112.43 s. 1c”

Page 145, line 24, delete “122.44” and insert “112.44”

Page 146, line 25, after “*agency*” insert a comma and delete the second “*or*” and delete “*or public*” and after “*corporation*” insert “, *political subdivision,*”

Page 148, line 34, delete “*public corporations*” and insert “*political subdivisions*”

Page 151, line 19, delete “*revolving*” and insert “*general*” and delete everything after “*fund*” and insert “*must*”

Page 160, line 6, delete “*public corporation*” and insert “*political subdivision*”

Page 160, line 9, delete “*public corporation’s*” and insert “*political subdivision’s*”

Page 164, line 36, delete “59” and insert “68”

Page 167, line 19, delete “*freeholders*” and insert “*resident owners*”

Page 168, line 23, delete “*public corporations*” and insert “*political subdivisions*”

Page 169, line 20, delete “1” and insert “4”

Page 169, line 26, delete “2” and insert “5”

Page 171, line 6, delete “11” and insert “12”

Page 173, line 12, delete “*shall*” and insert “*must*”

Page 175, line 33, after “*a*” insert “*new*”

Page 175, line 34, delete “11” and insert “12”

Page 176, line 1, before “*drainage*” insert “*new*”

Page 176, line 2, delete “11” and insert “12” and delete “*resident*”

Page 176, line 8, delete “*resident*”

Page 176, line 22, delete “*resident*” and delete “*or owners*”

Page 180, line 12, delete “*freeholders*” and insert “*owners*”

Page 184, line 34, delete “*shall*” and insert “*must*”

Page 185, line 1, delete “*in lieu*” and insert “*instead*”

Page 185, line 10, delete “*relative to*” and insert “*about*”

Page 185, line 36, delete everything after “*with*”

Page 186, line 15, delete the second “*section 63*” and insert “*it*”

Page 186, line 27, delete “*shall*” and insert “*must immediately*”

Page 186, line 28, delete “*shall*” and insert “*must*”

Page 187, line 14, delete everything after “(b)” and insert “*Bids must not be considered which in the aggregate exceed by more than 30 percent the total estimated cost of construction.*”

- Page 187, delete lines 15 and 16
- Page 191, line 32, delete everything after "*exceed*"
- Page 191, delete lines 33 and 34
- Page 191, line 35, delete everything before "*or*" and insert "*0.01596 percent of taxable market value,*"
- Page 192, line 19, delete "*a gross tax*"
- Page 192, delete lines 20 to 22
- Page 192, line 23, delete "*district*" and insert "*0.02418 percent of taxable market value*"
- Page 192, line 29, delete everything after "*exceed*"
- Page 192, delete line 30
- Page 192, line 31, delete everything before the second "*for*" and insert "*0.00798 percent of taxable market value*"
- Page 193, line 33, delete "*an ad*"
- Page 193, line 34, delete "*valorem levy*" and insert "*the proceeds of a property tax*"
- Page 193, line 35, delete everything after "*exceed*" and insert "*0.02418 percent of taxable market value.*"
- Page 193, delete line 36
- Page 194, delete lines 1 and 2
- Page 194, line 9, delete "7" and insert "8"
- Page 199, line 27, delete "21" and insert "22"
- Page 239, line 16, delete "16" and insert "22"
- Page 240, line 32, delete "16" and insert "22"
- Page 268, lines 23 and 24, delete "*wildlife acquisition*" and insert "*game and fish*"
- Page 271, line 34, delete "*name and address*" and insert "*names and addresses*"
- Page 277, line 22, delete "*revolving*" and insert "*general*" and delete "*of the state*"
- Page 277, line 23, delete "*auditor*"
- Page 298, lines 17 and 18, delete "*the floodplain management law*" and insert "*sections 2 to 13*"
- Page 299, lines 2 and 25, delete "*the floodplain management law*" and insert "*sections 2 to 13*"
- Page 300, lines 29 and 30, delete "*the floodplain management law*" and insert "*sections 2 to 13*"
- Page 301, line 22, delete "*the floodplain management law*" and insert "*sections 2 to 13*"
- Page 302, line 14, after "*conduct*" insert "*, whenever possible,*"
- Page 302, line 21, delete "*the floodplain management law*" and insert

“sections 2 to 13”

Page 303, lines 6 and 7, delete *“or not in compliance with”*

Page 303, line 10, delete *“subdivision”* and insert *“section”*

Page 303, line 11, delete *“subdivision”* and insert *“section”*

Page 310, after line 16, insert:

“Subd. 2. [COMMISSIONER.] “Commissioner” means the commissioner of natural resources.”

Page 310, line 17, delete *“2”* and insert *“3”*

Page 310, line 19, delete *“3”* and insert *“4”*

Page 311, line 14, delete *“105.482”* and insert *“105.485”*

Page 311, line 27, delete *“this”* and after *“section”* insert *“27”*

Page 315, lines 4 and 5, delete *“the Minnesota wild and scenic rivers act”* and insert *“sections 30 to 39”*

Page 319, line 35, delete *“the Minnesota wild and scenic rivers act”* and insert *“sections 30 to 39”*

Page 322, line 11, delete *“are”*

Page 329, lines 13 and 20, delete *“project riverbend”* and insert *“Project Riverbend”*

Page 333, line 6, delete *“to which”* and insert *“that”*

Page 335, line 14, before the period insert *“as provided by sections 57 to 68”*

Page 340, line 24, delete *“5”* and insert *“4”*

Page 341, line 20, delete *“57”* and insert *“60”*

Page 341, after line 25, insert:

“Sec. 69. [103F460] [ENVIRONMENTAL AGRICULTURAL EDUCATION PROGRAM.]

Subdivision 1. [PROGRAM.] An environmental agricultural program is established:

(1) to work with agricultural producers;

(2) to advise and inform agricultural producers on the impact of certain farming practices on water quality;

(3) to promote sustainable agriculture through use of best management practices and integrated pest management;

(4) to demonstrate and evaluate alternative pesticide practices; and

(5) to develop and promote farm profitability through a reduction in farm inputs.

Subd. 2. [CONTRACTS.] Contracts to carry out the program must be awarded by the board of water and soil resources following review by the legislative water commission. [40.31]”

Page 342, line 4, delete *“75”* and insert *“78”*

Page 342, line 5, delete *“COMMISSIONER”* and insert *“BOARD”* and

delete "Commissioner" and insert "Board"

Page 342, line 6, delete "commissioner of agriculture" and insert "board of water and soil resources"

Page 342, line 13, after "Subd. 5." insert "[DRAINED WETLAND.] "Drained wetland" means a former natural wetland that has been altered by draining, dredging, filling, leveling, or other manipulation sufficient to render the land suitable for agricultural crop production. The alteration must have occurred before December 23, 1985, and must be a legal alteration as determined by the commissioner of natural resources.

Subd. 6."

Page 342, line 14, after the comma insert "family farm partnerships, authorized farm partnerships," and delete "as defined under section"

Page 342, line 15, delete everything before "and"

Page 342, line 17, delete "paragraph (d)," and insert "and estates and testamentary trusts."

Page 342, line 19, delete "6" and insert "7"

Page 342, line 26, delete "commissioner" and insert "board"

Page 342, after line 26, insert:

"Subd. 8. [PUBLIC WATERS.] "Public waters" means waters and wetlands as defined in article 7, section 2, and inventoried under article 7, section 13. [40.42 s. 8]

Subd. 9. [SENSITIVE GROUNDWATER AREA.] "Sensitive groundwater area" means a geographic area defined by natural features where there is a significant risk of groundwater degradation from activities conducted at or near the land surface. These areas may be identified by mapping or other appropriate methods determined by the commissioner of natural resources and the board of water and soil resources. Wellhead protection areas may be designated as a sensitive groundwater area. [40.42 s. 6a, 9]"

Page 342, line 27, delete "7" and insert "10"

Page 342, line 33, delete "8" and insert "11"

Page 343, line 1, after "The" insert "board, in consultation with the"

Page 343, line 2, delete ", in consultation with" and insert "and"

Page 343, line 4, delete "commissioner of"

Page 343, line 5, delete "agriculture shall contract with the" and delete "of water and soil"

Page 343, line 6, delete "resources to" and insert "shall" and delete "75" and insert "77"

Page 343, line 11, delete the colon and insert "meets the requirements of paragraphs (b) and (c)."

Page 343, after line 11, insert:

"(b) Land is eligible if the land:"

Page 343, line 12, delete ", or" and insert ";

(2)”

Page 343, line 15, delete everything after “*description*” and insert “;

(3) *consists of a drained wetland;*

(4) *is land that*”

Page 343, line 16, delete the period and insert “;

(5) *is land in a sensitive groundwater area;*

(6) *is cropland adjacent to public waters;*

(7) *is*”

Page 343, line 17, delete “*the*” and delete “*wetland may also be enrolled*” and insert “*wetlands*”

Page 343, after line 19, insert:

“(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:*”

Page 343, line 20, delete “(2) *was*” and insert “(1) *have been*” and after “*or*” delete “*was*” and insert “*be*”

Page 343, line 22, delete “*three years*” and insert “*one year*”

Page 343, line 24, delete “(3) *is*” and insert “(2) *be*” and after the second comma insert “*woodlot, or abandoned building site,*”

Page 343, line 25, delete “*is*” and insert “*be*”

Page 343, line 27, delete “(4) *is*” and insert “(3)” and after “*not*” insert “*be*”

Page 343, line 29, delete “(5) *was*” and insert “(4) *have been*”

Page 343, line 30, before the period insert “*except drained wetlands, woodlots, abandoned building sites, or land on a hillside used for pasture*”

Page 343, delete lines 31 to 36

Page 344, delete lines 1 to 5 and insert:

“(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.*”

Page 344, line 6, delete “(d)” and insert “(f)”

Page 344, line 9, delete “*commissioner*” and insert “*board*”

Page 344, line 11, after the period insert “*An easement acquired on land for windbreak purposes, under subdivision 2, may be only of permanent duration.*”

Page 344, lines 19 and 21, delete "commissioner" and insert "board"

Page 344, line 22, delete "unless" and insert "except, for agreements entered before the effective date of this act, grazing of livestock may be allowed only if"

Page 344, line 23, delete the first "commissioner" and insert "board"

Page 344, line 36, delete "commissioner" and insert "board"

Page 345, lines 10 and 12, delete "commissioner" and insert "board"

Page 345, line 14, delete "to restore any drained wetland and"

Page 345, line 15, after "wetland" insert "restoration"

Page 345, line 20, after the semicolon insert "and"

Page 345, line 21, delete everything after "(5)"

Page 345, delete lines 22 to 26

Page 345, line 27, delete "(6)"

Page 345, line 28, after "the" insert "board in consultation with the"

Page 345, line 30, delete "to facilitate" and insert "facilitate"

Page 345, line 33, delete "commissioner" and insert "board"

Page 346, line 3, delete "and"

Page 346, line 4, before the semicolon insert ", and 100 percent of the total eligible cost of wetland restoration not to exceed \$300 per acre"

Page 346, line 21, delete "commissioner" and insert "board"

Page 346, line 22, delete everything after "(b)"

Page 346, delete line 23

Page 346, line 24, delete everything before "[40.43 s. 6]" and insert "For hillside pasture conservation easements, the payments to the landowner in paragraph (a) for the conservation easement and agreement must be reduced to reflect the value of similar property."

Page 346, line 28, delete "commissioner" and insert "board"

Page 346, line 29, delete "commissioner" and insert "board"

Page 347, line 1, delete "commissioner" and insert "board"

Page 347, after line 6, insert:

"Subd. 9. [ENFORCEMENT AND DAMAGES.] (a) A landowner who violates the term of a conservation easement or agreement under this section, or induces, assists, or allows another to do so, is liable to the state for treble damages if the trespass is willful, but liable for double damages only if the trespass is not willful. The amount of damages is the amount needed to make the state whole or the amount the landowner has gained due to the violation, whichever is greater.

(b) Upon the request of the board, the attorney general may commence an action for specific performances, injunctive relief, damages, including attorney's fees, and any other appropriate relief to enforce sections 71 to 77 in district court in the county where all or part of the violation is

alleged to been committed, or where the landowner resides or has a principal place of business. [40.43 s. 9]"

Page 347, line 10, delete "75" and insert "77" and delete "commissioner" and insert "board"

Page 347, line 11, after the first "the" insert "department of agriculture, the"

Page 347, line 18, after "The" insert "board and the"

Page 347, lines 22 and 23, delete "commissioner of agriculture" and insert "board"

Page 347, line 31, delete "commissioners" and insert "board and the commissioner"

Page 347, line 32, delete "agriculture and"

Page 347, line 34, after "The" insert "board and the"

Page 348, line 6, delete "commissioner" and insert "board"

Page 348, line 11, delete "commissioner" and insert "board"

Page 348, after line 13, insert:

"Sec. 76. [103F526] [FOOD PLOTS IN WINDBREAKS.]

The board, in cooperation with the commissioner of natural resources, may authorize wildlife food plots on land with windbreaks. [40.44 s. 4]"

Page 348, line 15, delete "commissioner" and insert "board" and delete "emergency"

Page 348, delete lines 16 and 17

Page 348, line 18, delete everything before the period and insert "sections 71 to 77"

Page 348, after line 21, insert:

"Sec. 78. [103F535] [RESERVATION OF MARGINAL LAND AND WETLANDS.]

Subdivision 1. [RESERVATION OF MARGINAL LAND AND WETLANDS.] 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. 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 73, 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).

Subd. 2. [DELINEATION OF WETLAND OR MARGINAL LAND.] (a) Before state land is sold, the land must be submitted to the board of water and soil resources to determine and delineate the marginal land and wetlands to be reserved or restricted by a conservation easement. The delineation of the reservation or conservation easement need not be by legal description and may be a description in general terms that identifies the marginal land or wetlands.

(b) Marginal land and wetlands may not be sold unless restricted by a conservation easement with the restrictions provided in section 73, subdivision 4, paragraphs (a) and (c), and other restrictions determined necessary by the board of water and soil resources.

Subd. 3. [SCHOOL TRUST LAND.] If the sale of school trust land as defined in section 92.025 is restricted by a conservation easement and the restriction results in a reduction of the amount received from the sale, the commissioner of natural resources must determine the amount of the reduction. The amount of the reduction in sale price must be paid from appropriations to acquire conservation easements and shall be credited to the account to which the proceeds from the sale are credited.

Subd. 4. [RELEASE AND ALTERATION OF CONSERVATION EASEMENT.] The board may alter, release, or terminate a conservation easement created under this section after consultation with the commissioners of agriculture and natural resources. The board may alter, release, or terminate a conservation easement only if the board determines the public interests and general welfare are better served by the alteration, release, or termination. [40.46]"

Page 348, line 24, after "commissioner" insert "of natural resources"

Page 351, line 15, delete "115A.091" and insert "115.091"

Page 351, lines 17 and 18, delete "the clean water partnership law" and insert "sections 82 to 94"

Page 354, lines 27 and 28, delete "the comprehensive local water management act" and insert "article 2, sections 17 to 28"

Page 354, line 30, delete "12" and insert "11"

Page 355, line 17, delete "s. 1"

Page 355, line 33, delete "s. 2"

Page 359, line 24, delete "21 and 38" and insert "22 and 39"

Page 360, line 21, delete "21 and 38" and insert "22 and 39"

Page 362, line 6, delete "and" and insert "or"

Page 364, line 4, after "commissioner" insert "as trout streams"

Page 365, line 8, delete "the water law" and insert "this chapter"

Page 366, lines 14 and 22, delete "the water law" and insert "this chapter"

Page 367, line 7, delete "*the water law*" and insert "*this chapter*"

Page 367, line 18, delete "*for an*" and insert ". *This section applies*"

Page 367, line 19, delete "*action*" and insert "*to actions*"

Page 367, line 36, delete "*those sections*" and insert "*this chapter*"

Page 368, after line 21, insert:

"Sec. 12. [103G.145] [APPLICATION.]

Nothing in this chapter supersedes or amends section 92.45."

Page 372, line 14, delete the first "*subdivision*" and insert "*subdivisions*" and after the first comma insert "*11, and 12,*"

Page 374, line 28, delete "*conservation*" and insert "*zoning*"

Page 375, line 5, delete "*this*" and after "*subdivision*" insert "*1*"

Page 376, line 28, after "*for*" insert "*the consumptive*"

Page 376, line 31, after "*supply*" insert ", *and use for power production that meets the contingency planning provisions of section 30, subdivision 6*"

Page 376, line 32, delete "*any*" and insert "*a*"

Page 376, line 33, delete everything after "*day*" and insert a semicolon

Page 376, delete lines 34 and 35

Page 376, line 36, after "*irrigation,*" insert "*and processing of agricultural products*"

Page 377, line 1, delete "*a*" and insert "*per*" and delete everything after "*day*" and insert a semicolon

Page 377, delete line 2

Page 377, line 3, delete "*, involving*"

Page 377, line 4, delete everything before the semicolon and insert "*in excess of the use provided for in the contingency plan developed under section 30, subdivision 6*"

Page 377, after line 6, insert:

"*(b) For the purposes of this section, "consumption" means water withdrawn from a supply that is lost for immediate further use in the area.*"

Page 377, line 7, delete "*(b)*" and insert "*(c)*"

Page 377, line 12, delete "*(c)*" and insert "*(d)*"

Page 377, after line 13, insert:

"*(e) The treatment and reuse of water for nonconsumptive uses shall be discouraged.*"

Page 377, line 14, delete "*(d)*" and insert "*(f)*"

Page 379, line 27, delete everything after "*plans*"

Page 379, line 28, delete everything before the period and delete "*1a*" and insert "*1*"

Page 379, line 32, after "*land*" insert "*under section 32, subdivision*

2.”

Page 379, line 35, delete “1a” and insert “1”

Page 380, line 1, after “(a)” insert “*Except for local permits under article 2, section 7, subdivision 4,*”

Page 380, line 1, delete “A” and insert “a”

Page 380, after line 10, insert:

“*Subd. 5. [CERTAIN COOLING SYSTEM PERMITS PROHIBITED.] (a) The commissioner may not issue a water use permit from a groundwater source for a once-through cooling system using in excess of 5,000,000 gallons annually.*

(b) For purposes of this subdivision, a once-through cooling system means a cooling or heating system for human comfort that draws a continuous stream of water from a groundwater source to remove or add heat for cooling, heating, or refrigeration.”

Page 380, line 11, delete “5” and insert “6” and after “(a)” insert “*Except as described in paragraph (b),*”

Page 380, line 11, delete “A” and insert “a”

Page 380, line 12, after “*fee*” insert “*not to exceed \$2,000*”

Page 380, line 15, delete everything after “(1)” and insert “*0.05 cents per 1,000 gallons for the first 50,000,000 gallons per year; and*”

Page 380, delete lines 16 and 17

Page 380, line 18, delete everything after “(2)” and insert “*0.1 cents per 1,000 gallons for amounts greater than 50,000,000 gallons per year.*”

Page 380, delete line 19

Page 380, line 20, delete everything after “(b)” and insert “*For once-through cooling systems as defined in subdivision 5, a water use processing fee must be prescribed by the commissioner in accordance with the following schedule of fees for each water use permit in force at any time during the year:*

(1) 5.0 cents per 1,000 gallons until December 31, 1991;

(2) 10.0 cents for 1,000 gallons from January 1, 1992, until December 31, 1996; and

(3) 15.0 cents per 1,000 gallons after January 1, 1997.”

Page 380, line 21, delete “*regardless of*” and insert “*based on*”

Page 380, line 22, delete “*appropriated*” and insert “*permitted*” and after “*and*” insert “*in no case may the fee be less than \$25.*

(d)”

Page 380, line 23, after the period insert “[105.41 s. 5a]”

Page 380, delete lines 24 to 26

Page 380, line 27, delete “6” and insert “7”

Page 381, line 23, delete “*this*” and after “*section*” insert “*27 or 28*”

Page 382, line 2, after “*fee*” insert “*in section 27*”

Page 383, line 33, after "is" insert "adequate"

Page 383, line 34, delete "appropriation" and insert "water use"

Page 385, line 31, delete "156A.07" and insert "103I.205, subdivision 9"

Page 385, line 36, after "of" insert "paragraph (a)," and after "(6)" insert "or paragraph (c)"

Page 395, delete lines 5 to 11

Page 395, line 16, delete everything after the headnote and insert "*The commissioner shall make findings of fact on issues necessary for determination of the applications considered. Orders made by the commissioner must be based upon findings of fact made on substantial evidence. The commissioner may have investigations made. The facts disclosed by investigation must be put in evidence at the hearing.* [105.45]"

Page 395, delete lines 17 to 22

Page 395, delete lines 23 to 36, and insert:

"*Subd. 3. [ISSUANCE OF PERMIT.] If the commissioner concludes that the plans of the applicant are reasonable, practical, and will adequately protect public safety and promote the public welfare, the commissioner shall grant the permit.* [105.45]"

Subd. 4. [CONTROL LEVELS.] If they are in issue, the commissioner shall also fix the control levels of public waters accordingly. [105.45]"

Subd. 5. [DENIAL; MODIFICATIONS.] Otherwise the commissioner shall reject the application or may require modification of the plan as the commissioner finds proper to protect the public interest. [105.45]"

Subd. 6. [BURDEN OF PROOF; CONDITIONS.] (a) In permit applications the applicant has the burden of proving that the proposed project is reasonable, practical, and will adequately protect public safety and promote the public welfare.

(b) In granting a permit, the commissioner may include in it terms and reservations about the amount and manner of the use or appropriation or method of construction or operation of controls as appear reasonably necessary for the safety and welfare of the people of the state. [105.45]"

Page 396, delete lines 1 to 10

Page 396, delete lines 23 to 31 and insert:

"*Subd. 8. [NOTICE OF PERMIT ORDER.] Notice of orders made after hearing must be given by publication of the order once a week for two successive weeks in a legal newspaper in the county where the hearing was held and by mailing copies of the order to parties who entered an appearance at the hearing.* [105.45]"

Subd. 9. [TIME FOR ISSUANCE OF ORDER.] The commissioner shall make an order within 60 days after the completion of the hearing. [105.45]"

Page 399, line 18, after "If" insert "the stipulation is"

Page 400, line 21, delete "department" and insert "Department" and delete "army" and insert "Army"

Page 400, lines 29 and 30, delete "corps of army engineers" and insert

“United States Department of the Army Corps of Engineers”

Page 402, line 5, delete “*corps of army engineers*” and insert “*United States Department of the Army Corps of Engineers*”

Page 402, line 22, delete “. *The attorney general*” and insert “*who*”

Page 403, line 7, after “3,” insert “*paragraph (a),*”

Page 404, line 3, delete “1” and insert “3”

Page 405, line 13, delete “4” and insert “3”

Page 408, line 6, delete “*commissioner*” and insert “*commissioners*” and after “*and*” insert “*the*”

Page 412, line 7, after “*agreement*” insert “*for the development or redevelopment of a hydropower sight*”

Page 412, line 10, delete everything after “*agreement*”

Page 412, line 11, delete “*hydropower site*”

Page 413, line 13, delete “46” and delete “*Statutes*” and insert “*Code, title 46, section*”

Page 414, line 23, delete “*Sections 52*” and insert “*This section*” and after “*and*” insert “*section*”

Page 415, line 11, after “*dam*” insert “*are considered to*”

Page 416, line 19, delete “*sections 52*” and insert “*this section*” and after “*and*” insert “*section*”

Page 417, line 27, delete “*of natural resources may*”

Page 417, line 28, after “(1)” insert “*shall*”

Page 418, line 36, delete “*sections*” and insert “*section*” and delete “53” and insert “*this section*”

Page 419, line 9, after the comma insert “*subdivision 2,*”

Page 419, line 16, after “52” insert “*, subdivision 5*”

Page 420, line 35, delete “*of natural resources*”

Page 421, lines 5, 17, 20, 29, and 33, delete “*of natural resources*”

Page 421, lines 35 and 36, delete “*of natural resources*”

Page 422, line 30, delete “\$100” and insert “\$200”

Page 423, after line 8, insert:

“Sec. 62. [103G.617] [EURASIAN WATER MILFOIL EDUCATION AND MANAGEMENT.]

Subdivision 1. [DEFINITION.] For the purpose of this section, “Eurasian water milfoil” means myriophyllum spicatum.

Subd. 2. [INVENTORY.] The commissioner shall inventory and monitor the growth of Eurasian water milfoil on lakes in the state. The commissioner may use volunteers to aid in the inventory effort.

Subd. 3. [EDUCATION.] The commissioner shall publish and distribute informational materials to lakeshore owners and boaters on the control problems of Eurasian water milfoil.

Subd. 4. [MANAGEMENT.] The commissioner shall coordinate a control program to manage the growth of Eurasian water milfoil with appropriate local units of government, special purpose districts, and lakeshore associations. Technical assistance may be provided by the commissioner upon request.

Subd. 5. [RESEARCH.] The commissioner shall initiate cooperative research with the Freshwater Foundation and the University of Minnesota freshwater biological institute to study the use of nonchemical methods, including biological control agents, for control of Eurasian water milfoil. [84.0921]"

Page 423, line 15, delete "*of natural resources*"

Page 423, lines 24, 29, and 36, delete "111.81" and insert "110.71"

Page 423, line 27, delete "*of natural*"

Page 423, line 28, delete "*resources*" and delete "84.092" and insert "61"

Page 423, line 33, delete everything after "*exceed*"

Page 423, delete line 34

Page 423, line 35, delete everything before "50" and insert "*the lesser of (1) 0.01596 percent of taxable market value, or (2)*"

Page 424, lines 11, 17, and 23, delete "111.81" and insert "110.71"

Page 424, line 28, delete "105.471" and insert "105.475"

Page 425, delete section 65

Page 426, line 27, before "RELOCATION" insert "RECODIFICATION AND"

Page 427, line 17, delete "51" and insert "52"

Page 429, lines 14, 19, and 23, delete "12" and insert "13"

Page 430, after line 25, insert:

"Sec. 6. Minnesota Statutes 1988, section 41.65, subdivision 3, is amended to read:

Subd. 3. [RESTRICTED AGRICULTURAL USE.] (a) Acquired property that has marginal land as defined in *article 6*, section ~~40.42~~ 72, subdivision 6, or wetlands must be restricted from agricultural use on the marginal land or wetlands.

(b) If the commissioner determines that all or a portion of acquired property should be taken out of agricultural use or particular agricultural uses should be restricted, the commissioner shall have the attorney general prepare an easement restricting the agricultural use and file the easement with the county recorder where the property is located."

Page 430, delete section 6

Page 433, line 25, after the first "*of*" insert "*the division of*"

Page 433, line 35, delete "8" and insert "9"

Page 435, line 26, delete the second "9" and insert "10"

Page 435, line 28, delete the first "9" and insert "10"

Page 438, line 3, delete "51" and insert "52"

Page 438, line 34, delete "43. subdivisions 1, 2, and 3," and insert "44"

Page 438, after line 35, insert:

"Sec. 24. Minnesota Statutes 1988, section 97A.211, subdivision 1, is amended to read:

Subdivision 1. [NOTICE TO APPEAR IN COURT.] (a) A person must be given notice to appear in court for a misdemeanor violation of the game and fish laws, chapter 84, ~~105, or 106A,~~ or section 609.68 or article 5, article 6, sections 25 to 29 or section 79, or article 7, if:

(1) the person is arrested and is released from custody prior to appearing before a court; or

(2) the person is subject to a lawful arrest and is not arrested because it reasonably appears to the enforcement officer that arrest is unnecessary to prevent further criminal conduct and that there is a substantial likelihood that the person will respond to a notice.

(b) The enforcement officer shall prepare, in quadruplicate, a written notice to appear in court. The notice must be in the form and has the effect of a summons and complaint. The notice must contain the name and address of the person charged, the offense, and the time and the place to appear in court. The court must have jurisdiction within the county where the offense is alleged to have been committed.

Sec. 25. Minnesota Statutes 1988, section 97A.211, subdivision 2, is amended to read:

Subd. 2. [RELEASE AFTER ARREST.] A person arrested for a misdemeanor violation of the game and fish laws, chapter 84, ~~105, or 106A~~ or section 609.68 or article 5, article 6, sections 25 to 29 or section 79, or article 7, may obtain release by signing the written notice prepared by the arresting officer promising to appear in court. The officer shall deliver a copy marked "SUMMONS" to the person arrested. The officer must then release the person from custody."

Page 439, delete section 25

Page 440, after line 10, insert:

"Sec. 27. Minnesota Statutes 1988, section 116D.04, subdivision 1a, is amended to read:

Subd. 1a. For the purposes of sections 116D.01 to 116D.07, the following terms have the meanings given to them in this subdivision.

(a) "Natural resources" has the meaning given it in section 116B.02, subdivision 4.

(b) "Pollution, impairment or destruction" has the meaning given it in section 116B.02, subdivision 5.

(c) "Environmental assessment worksheet" means a brief document which is designed to set out the basic facts necessary to determine whether an environmental impact statement is required for a proposed action.

(d) "Governmental action" means activities, including projects wholly or partially conducted, permitted, assisted, financed, regulated or approved

by units of government including the federal government.

(e) "Governmental unit" means any state agency and any general or special purpose unit of government in the state including, but not limited to, watershed districts organized under ~~chapter 112~~ *article 4*, counties, towns, cities, port authorities, housing authorities, and economic development authorities established under sections 458C.01 to 458C.23, but not including courts, school districts and regional development commissions other than the metropolitan council.

Sec. 28. Minnesota Statutes 1988, section 116J.70, subdivision 2a, is amended to read:

Subd. 2a. [LICENSE; EXCEPTIONS.] "Business license" or "license" does not include the following:

(1) Any occupational license or registration issued by a licensing board listed in section 214.01 or any occupational registration issued by the commissioner of health pursuant to section 214.13;

(2) Any license issued by a county, home rule charter city, statutory city, township or other political subdivision;

(3) Any license required to practice the following occupation regulated by the following sections:

- (a) Abstracters regulated pursuant to chapter 386;
- (b) Accountants regulated pursuant to chapter 326;
- (c) Adjusters regulated pursuant to chapter 72B;
- (d) Architects regulated pursuant to chapter 326;
- (e) Assessors regulated pursuant to chapter 270;
- (f) Attorneys regulated pursuant to chapter 481;
- (g) Auctioneers regulated pursuant to chapter 330;
- (h) Barbers regulated pursuant to chapter 154;
- (i) Beauticians regulated pursuant to chapter 155A;
- (j) Boiler operators regulated pursuant to chapter 183;
- (k) Chiropractors regulated pursuant to chapter 148;
- (l) Collection agencies regulated pursuant to chapter 332;
- (m) Cosmetologists regulated pursuant to chapter 155A;
- (n) Dentists, registered dental assistants, and dental hygienists regulated pursuant to chapter 150A;
- (o) Detectives regulated pursuant to chapter 326;
- (p) Electricians regulated pursuant to chapter 326;
- (q) Embalmers regulated pursuant to chapter 149;
- (r) Engineers regulated pursuant to chapter 326;
- (s) Insurance brokers and salespersons regulated pursuant to chapter 60A;
- (t) Midwives regulated pursuant to chapter 148;
- (u) Morticians regulated pursuant to chapter 149;

- (v) Nursing home administrators regulated pursuant to chapter 144A;
- (w) Optometrists regulated pursuant to chapter 148;
- (x) Osteopathic physicians regulated pursuant to chapter 147;
- (y) Pharmacists regulated pursuant to chapter 151;
- (z) Physical therapists regulated pursuant to chapter 148;
- (aa) Physicians and surgeons regulated pursuant to chapter 147;
- (bb) Plumbers regulated pursuant to chapter 326;
- (cc) Podiatrists regulated pursuant to chapter 153;
- (dd) Practical nurses regulated pursuant to chapter 148;
- (ee) Professional fundraisers regulated pursuant to chapter 309;
- (ff) Psychologists regulated pursuant to chapter 148;
- (gg) Real estate brokers, salespersons and others regulated pursuant to chapters 82 and 83;
- (hh) Registered nurses regulated pursuant to chapter 148;
- (ii) Securities brokers, dealers, agents and investment advisers regulated pursuant to chapter 80A;
- (jj) Steamfitters regulated pursuant to chapter 326;
- (kk) Teachers and supervisory and support personnel regulated pursuant to chapter 125;
- (ll) Veterinarians regulated pursuant to chapter 156;
- (mm) Watchmakers regulated pursuant to chapter 326;
- (nn) Water conditioning contractors and installers regulated pursuant to chapter 326;
- (oo) Water well contractors regulated pursuant to chapter 156A;
- (pp) Water and waste treatment operators regulated pursuant to chapter 115;
- (qq) Motor carriers regulated pursuant to chapter 221;
- (rr) Professional corporations regulated pursuant to chapter 319A;
- (4) Any driver's license required pursuant to chapter 171;
- (5) Any aircraft license required pursuant to chapter 360;
- (6) Any watercraft license required pursuant to ~~chapter 364~~ *article 9*;
- (7) Any license, permit, registration, certification, or other approval pertaining to a regulatory or management program related to the protection, conservation, or use of or interference with the resources of land, air or water, which is required to be obtained from a state agency or instrumentality; and
- (8) Any pollution control rule or standard established by the pollution control agency or any health rule or standard established by the commissioner of health or any licensing rule or standard established by the commissioner of human services."

Page 440, line 17, strike the first comma and before "article" insert a

semicolon and delete the third comma and insert a semicolon

Page 440, line 18, after "*sections*" insert "*23 and sections 27 to 29*" and delete "*26 to 28, and article 7, section 22*"

Page 440, delete sections 27 to 30

Page 447, line 4, delete "49" and insert "50"

Page 449, lines 12 and 24, delete "49" and insert "50"

Page 450, lines 2 and 6, delete "49" and insert "50"

Page 450, after line 6, insert:

"Sec. 36. Minnesota Statutes 1988, section 355.11, subdivision 4, is amended to read:

Subd. 4. "Employee" means any employee, other than elected officials, of municipal housing and redevelopment authorities or of any soil and water conservation district organized pursuant to ~~chapter 40~~ *article 3*, or any port authority organized pursuant to chapter 458, or any hospital district organized or reorganized pursuant to sections 447.31 to 447.37.

Sec. 37. Minnesota Statutes 1988, section 355.11, subdivision 5, is amended to read:

Subd. 5. "Employing unit" means any municipal housing and redevelopment authorities organized pursuant to sections 469.001 to 469.047 and any soil and water conservation district organized pursuant to ~~chapter 40~~ *article 3* or any port authority organized pursuant to sections 469.048 to 469.068, or any economic development authority organized pursuant to sections 469.090 to 469.108, or any hospital district organized or reorganized pursuant to sections 447.31 to 447.37."

Page 452, line 7, delete "27" and insert "28"

Page 452, line 8, strike "3" and insert "2"

Page 452, after line 9, insert:

"Sec. 40. Minnesota Statutes 1988, section 383A.602, subdivision 3, is amended to read:

Subd. 3. [DISTRICT.] "District" means the soil and water conservation district operating under ~~chapter 40~~ *article 3*."

Page 454, after line 16, insert:

"Sec. 45. Minnesota Statutes 1988, section 444.075, subdivision 1a, is amended to read:

Subd. 1a. [AUTHORIZATION.] Any municipality may build, construct, reconstruct, repair, enlarge, improve, or in any other manner obtain

(i) waterworks systems, including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks, treatment plants, and other appurtenances of a waterworks system,

(ii) sewer systems, sewage treatment works, disposal systems, and other facilities for disposing of sewage, industrial waste, or other wastes, and

(iii) storm sewer systems, including mains, holding areas and ponds, and other appurtenances and related facilities for the collection and disposal of storm water, all hereinafter called facilities, and maintain and operate the

facilities inside or outside its corporate limits, and acquire by gift, purchase, lease, condemnation or otherwise any and all land and easements required for that purpose. The authority hereby granted is in addition to all other powers with reference to the facilities otherwise granted by the laws of this state or by the charter of any municipality. The authority granted in clause (iii) to municipalities which have territory within a watershed which has adopted a watershed plan pursuant to *article 2, section 473-878 11*, shall be exercised, with respect to facilities acquired following the adoption of the watershed plan, only for facilities which are not inconsistent with the watershed plan. The authority granted in clause (iii) to municipalities which have adopted local water management plans pursuant to *article 2, section 473-879 12*, shall be exercised, with respect to facilities acquired following the adoption of a local plan, only for facilities which are not inconsistent with the local plan. Counties, except counties in the seven county metropolitan area, shall have the same authority granted to municipalities by this subdivision except for areas of the county organized into cities and areas of the county incorporated within a sanitary district established by special act of the legislature."

Page 454, line 24, after "9" insert ", section 10, subdivision 6"

Page 458, line 12, strike "4," and strike "and" and after "6" insert ", and 7"

Page 459, after line 7, insert:

"Sec. 55. Minnesota Statutes 1988, section 500.24, subdivision 3b, is amended to read:

Subd. 3b. [PROTECTION OF CONSERVATION PRACTICES.] If a corporation, pension or investment fund, or limited partnership, other than a family farm corporation, an authorized farm corporation, 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 *article 6, section 40-49 57, subdivision 5 3*, to which the state has made a financial contribution, the corporation, 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."

Page 459, after line 23, insert:

"Sec. 58. Laws 1987, chapter 404, section 22, subdivision 7, is amended to read:

Subd. 7. Fish and Wildlife
Management

\$25,734,700	\$25,985,500	
	Summary by Fund	
General	\$ 788,600	\$ 795,900
Nongame Wildlife	\$ 1,179,800	\$ 1,183,600
Water Recreation	\$ 150,000	\$ 150,000
Wildlife Acquis.	\$ 961,500	\$ 836,500
Game and Fish	\$22,624,800	\$22,989,500

Wild Rice Management	\$ 30,000	\$ 30,000
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\$685,700 in the first year and \$685,700 the second year are appropriated from the game and fish fund for payments to counties in lieu of taxes on acquired wildlife lands and is not subject to transfer.

\$1,179,800 the first year and \$1,183,600 the second year are from the nongame wildlife management account in the special revenue fund for the purpose of nongame wildlife management. Any unencumbered balance remaining in the first year does not cancel but is available the second year.

\$54,400 in the first year and \$54,200 the second year are for acid rain research.

\$40,000 the first year and \$40,000 the second year is from the general fund for one complement position to serve as a native prairie biologist.

\$127,900 the first year and \$127,900 the second year are for emergency deer feeding. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$30,000 is appropriated each year from the wild rice management account project to improve natural wild rice production on public waters pursuant to Minnesota Statutes, section 97A.065, subdivision 4.

\$40,000 for the first year and \$40,000 for the second year is from the general fund to be transferred to the commissioner of agriculture to compensate landowners for agricultural crops damaged by elk.

\$10,000 each year is appropriated from the general fund to be used as an additional payment to the Leech Lake Indian Reservation for enforcement activities. The reservation may also use \$40,000 of the increased annual payment that it receives as a result of the fee increases in this act for enforcement. The department of natural resources shall also make surplus equipment available to the reservation.

~~Effective July 1, 1987, aquatic plant control permit fees established under Minnesota Statutes, section 84.092, subdivision 1, are doubled. Notice of the revised fees must be published in the State Register as soon as practical.~~

AND”

Page 462, line 10, before “WATERCRAFT” insert “YOUTH”

Page 462, line 20, delete “YOUTH”

Page 463, line 25, after the period insert “[361.07]”

Page 470, line 23, after “12” insert “; 361.02 s. 7”

Page 470, line 27, delete “361.02” and insert “361.03”

Page 477, line 4, delete “40” and insert “39”

Page 485, line 23, delete “*name and address*” and insert “*names and addresses*”

Page 489, after line 5, insert:

“*Subd. 7. [WATERCRAFT SURCHARGE.] A surcharge of \$2 is placed on each watercraft licensed under subdivisions 1 to 6, that is 17 feet in length or longer, for management of purple loosestrife and Eurasian water milfoil according to law.*”

Page 489, line 6, delete “7” and insert “8”

Page 489, line 12, delete “8” and insert “9”

Page 489, line 15, delete “9” and insert “10”

Page 490, line 8, delete “*monohulled*”

Page 490, line 9, delete “*less than*” and after “*feet*” insert “*or less*”

Page 496, line 2, delete the first “*subdivision*” and insert “*subdivisions 1 and*” and delete “*this subdivision*”

Page 498, line 22, delete “*or*”

Page 498, line 23, after the comma insert “*or section 20,*”

Page 499, line 7, delete “1990” and insert “1991”

Page 499, line 11, delete “*water law*” and insert “*laws affecting water*”

Page 499, line 12, after “*alter*” insert “*the laws affecting water*” and delete “*the water law*”

Page 499, line 13, after “*authority*” insert a comma

Page 499, line 14, after the period insert “*It is intended that decisions construing laws that are recodified by articles 1 to 10 are not affected by the recodification. The revisor of statutes shall publish the statutory derivation of the laws recodified by articles 1 to 10 in Laws of Minnesota but may omit them from Minnesota Statutes.*”

Sec. 2. [EFFECT ON ADMINISTRATIVE RULES.]

Notwithstanding the provisions of Minnesota Statutes, section 14.05, subdivision 1, or other law to the contrary, the repeal in this article of a law authorizing an agency to adopt administrative rules, does not repeal the rules authorized. The revisor need not recodify administrative rules solely because of the enactment of articles 1 to 10.”

Page 499, line 16, before “*The*” insert “(a)”

Page 499, after line 21, insert:

“(b) In the next edition of Minnesota Statutes, the revisor of statutes shall renumber the sections in Column A with the numbers in Column B.

<i>Column A</i>	<i>Column B</i>
<i>361A.01</i>	<i>86B.820</i>
<i>361A.02</i>	<i>86B.825</i>
<i>361A.03</i>	<i>86B.830</i>
<i>361A.04</i>	<i>86B.835</i>
<i>361A.05</i>	<i>86B.840</i>
<i>361A.06</i>	<i>86B.845</i>
<i>361A.07</i>	<i>86B.850</i>
<i>361A.08</i>	<i>86B.855</i>
<i>361A.09</i>	<i>86B.860</i>
<i>361A.10</i>	<i>86B.865</i>
<i>361A.11</i>	<i>86B.870</i>
<i>361A.12</i>	<i>86B.875</i>
<i>361A.13</i>	<i>86B.880</i>
<i>361A.14</i>	<i>86B.885</i>
<i>361A.15</i>	<i>86B.890</i>
<i>361A.16</i>	<i>86B.895</i>
<i>361A.17</i>	<i>86B.900</i>
<i>361A.18</i>	<i>86B.905</i>
<i>361A.19</i>	<i>86B.910</i>
<i>361A.20</i>	<i>86B.915</i>
<i>361A.21</i>	<i>86B.920”</i>

Page 499, line 17, after “and” insert “, if amendments are passed by the 1990 legislature using coding that is made obsolete by articles 1 to 10. shall” and after “codify” insert “the” and delete “to”

Page 499, delete line 18

Page 499, line 19, delete “legislature”

Page 499, line 28, after “40.28;” insert “40.31;” and after “40.45;” insert “40.46;” and after “84.032;” insert “84.092; 84.0921;”

Page 500, line 33, after “114B.07;” insert “115.091; 115.092; 115.093; 115.094; 115.095; 115.096; 115.097; 115.098; 115.099; 115.10; 115.101; 115.102; 115.103; 116C.40;”

Page 501, line 8, delete “and” and after the second semicolon insert “Laws 1967, chapter 907; Laws 1969, chapter 272; Laws 1971, chapter 355; Laws 1974, chapter 111; Laws 1977, chapter 322; and Laws 1982, chapter 627”

Renumber the sections in sequence

Correct internal references

Insert derivations from chapter 106A into article 5, as appropriate

Update from the appropriate 1989 Supplement, sections of 1988 Minnesota Statutes that were amended by the 1989 regular or special session

Amend the title accordingly

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Gary M. DeCramer, Gene Merriam, Dennis R. Frederickson

House Conferees: (Signed) Steve Dille, Len Price, Loren G. Jennings

Mr. DeCramer moved that the foregoing recommendations and Conference Committee Report on S.F. No. 60 be now adopted, and that the bill be repassed as amended by the Conference Committee.

Mr. DeCramer moved that S.F. No. 60 and the Conference Committee Report thereon, be laid on the table. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mrs. Lantry in the chair.

After some time spent therein, the committee arose, and Mrs. Lantry reported that the committee had considered the following:

S.F. Nos. 1937, 2297, 1703, 1966, 1976, 1975, 1681, 2129, 2541 and H.F. Nos. 2149, 1989, 2508, which the committee recommends to pass.

S.F. No. 1869, which the committee recommends to pass with the following amendment offered by Mr. Gustafson:

Page 2, line 14, after the period, insert "An employer must comply with subdivision 8 six months following the date the standard industrial classification that applies to the employee is placed on the list."

Page 2, after line 15, insert:

"Sec. 3. Minnesota Statutes 1988, section 182.653, is amended by adding a subdivision to read:

Subd. 8b. [RULEMAKING AUTHORITY.] The commissioner's rule-making authority for the purpose of implementing subdivision 8 is limited to specifying the list of standard industrial classifications as provided in subdivision 8a."

Page 2, delete section 4

Re-number the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

On motion of Mr. Moe, R.D., the report of the Committee of the Whole, as kept by the Secretary, was adopted.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Calendar and that the rules of the Senate be so far suspended as to waive the lie-over requirement. The motion prevailed.

CALENDAR

S.F. No. 2156: A bill for an act relating to local government; allowing municipalities to enter into certain contracts to reduce energy and operating

costs; amending Minnesota Statutes 1988, section 471.345, by adding a subdivision; repealing Minnesota Statutes 1988, section 471.345, subdivision 9.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Gustafson	McQuaid	Reichgott
Anderson	Dahl	Hughes	Mehrkens	Renneke
Beckman	Davis	Johnson, D.E.	Moe, R.D.	Samuelson
Belanger	Decker	Johnson, D.J.	Morse	Schmitz
Benson	DeCramer	Knaak	Novak	Storm
Berg	Diessner	Knutson	Pariseau	Stumpf
Berglin	Flynn	Kroening	Pehler	Vickerman
Bernhagen	Frank	Lantry	Peterson, R.W.	Waldorf
Bertram	Frederick	Larson	Piepho	
Brandl	Frederickson, D.J.	Lessard	Pogemiller	
Brataas	Frederickson, D.R.	Marty	Purfeerst	
Chmielewski	Freeman	McGowan	Ramstad	

Mr. Merriam voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1999: A bill for an act relating to agriculture; changing certain duties, procedures, and requirements related to organic food; amending Minnesota Statutes 1988, sections 31.92, by adding subdivisions; 31.94; and 31.95.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Gustafson	McGowan	Purfeerst
Anderson	Davis	Hughes	McQuaid	Ramstad
Beckman	Decker	Johnson, D.E.	Mehrkens	Reichgott
Belanger	DeCramer	Johnson, D.J.	Moe, D.M.	Renneke
Berg	Dicklich	Knaak	Moe, R.D.	Samuelson
Berglin	Diessner	Knutson	Morse	Schmitz
Bernhagen	Flynn	Kroening	Novak	Storm
Bertram	Frank	Lantry	Pariseau	Stumpf
Brandl	Frederick	Larson	Pehler	Vickerman
Brataas	Frederickson, D.J.	Lessard	Peterson, R.W.	Waldorf
Chmielewski	Frederickson, D.R.	Luther	Piepho	
Cohen	Freeman	Marty	Pogemiller	

So the bill passed and its title was agreed to.

S.F. No. 2061: A bill for an act relating to privacy of communications; including cordless telephones in the privacy of communications act; amending Minnesota Statutes 1988, sections 626A.01, subdivisions 3 and 14; and 626A.02, subdivisions 2 and 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	Mehrkens	Ramstad
Anderson	Davis	Johnson, D.E.	Merriam	Reichgott
Beckman	Decker	Johnson, D.J.	Moe, D.M.	Renneke
Belanger	DeCramer	Knaak	Moe, R. D.	Samuelson
Benson	Dicklich	Knutson	Morse	Schmitz
Berg	Diessner	Kroening	Novak	Spear
Berglin	Flynn	Lantry	Olson	Storm
Bernhagen	Frank	Larson	Pariseau	Stumpf
Bertram	Frederick	Lessard	Pehler	Vickerman
Brandl	Frederickson, D.J.	Luther	Peterson, R. W.	Waldorf
Brataas	Frederickson, D.R.	Marty	Piepho	
Chmielewski	Freeman	McGowan	Pogemiller	
Cohen	Gustafson	McQuaid	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 2213: A bill for an act relating to traffic regulations; regulating wheel flaps and covered loads; imposing a penalty; amending Minnesota Statutes 1988, sections 169.733; and 169.81, subdivision 5, and by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 11, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Moe, D.M.	Ramstad
Beckman	Diessner	Knutson	Moe, R. D.	Reichgott
Belanger	Flynn	Kroening	Morse	Samuelson
Berglin	Frank	Lantry	Novak	Spear
Brandl	Frederick	Lessard	Olson	Storm
Brataas	Frederickson, D.J.	Luther	Pariseau	Stumpf
Cohen	Freeman	Marty	Pehler	Vickerman
Dahl	Gustafson	McGowan	Peterson, R. W.	Waldorf
Davis	Hughes	McQuaid	Piper	
Decker	Johnson, D.E.	Mehrkens	Pogemiller	
DeCramer	Johnson, D.J.	Merriam	Purfeerst	

Those who voted in the negative were:

Anderson	Bernhagen	Chmielewski	Larson	Renneke
Benson	Bertram	Frederickson, D.R.	Piepho	Schmitz
Berg				

So the bill passed and its title was agreed to.

S.F. No. 2136: A bill for an act relating to education; changing the duration and membership of the task force on education organization; amending Laws 1988, chapter 718, article 6, section 23, subdivisions 1, 2, and 7.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	Mehrkens	Purfeerst
Anderson	Davis	Johnson, D.E.	Merriam	Ramstad
Beckman	Decker	Johnson, D.J.	Moe, D.M.	Renneke
Belanger	DeCramer	Knaak	Moe, R.D.	Samuelson
Benson	Dicklich	Knutson	Morse	Schmitz
Berg	Diessner	Kroening	Novak	Spear
Berglin	Flynn	Laidig	Olson	Storm
Bernhagen	Frank	Lantry	Pariseau	Stumpf
Bertram	Frederick	Larson	Pehler	Vickerman
Brandl	Frederickson, D.J.	Luther	Peterson, R.W.	Waldorf
Brataas	Frederickson, D.R.	Marty	Piepho	
Chmielewski	Freeman	McGowan	Piper	
Cohen	Gustafson	McQuaid	Pogemiller	

So the bill passed and its title was agreed to.

S.F. No. 1958: A bill for an act relating to education; changing school consolidation election procedures; amending Minnesota Statutes 1988, section 122.23, subdivisions 9, 11, 12, and 13.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.J.	Merriam	Ramstad
Anderson	DeCramer	Knaak	Moe, D.M.	Reichgott
Beckman	Dicklich	Knutson	Moe, R.D.	Renneke
Benson	Diessner	Kroening	Morse	Samuelson
Berglin	Flynn	Laidig	Novak	Schmitz
Bernhagen	Frank	Lantry	Olson	Spear
Bertram	Frederick	Larson	Pariseau	Storm
Brandl	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brataas	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Chmielewski	Freeman	Marty	Piepho	Waldorf
Cohen	Gustafson	McGowan	Piper	
Dahl	Hughes	McQuaid	Pogemiller	
Davis	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 1400: A bill for an act relating to probate; providing right to counsel in certain guardianship and conservatorship proceedings; proposing coding for new law in Minnesota Statutes, chapter 525.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Ramstad
Anderson	Davis	Johnson, D.E.	Mehrkens	Reichgott
Beckman	Decker	Johnson, D.J.	Moe, D.M.	Renneke
Belanger	DeCramer	Knaak	Moe, R.D.	Samuelson
Benson	Dicklich	Knutson	Morse	Schmitz
Berg	Diessner	Kroening	Novak	Spear
Berglin	Flynn	Laidig	Olson	Storm
Bernhagen	Frank	Lantry	Pariseau	Stumpf
Bertram	Frederick	Larson	Pehler	Vickerman
Brandl	Frederickson, D.J.	Lessard	Piepho	Waldorf
Brataas	Frederickson, D.R.	Luther	Piper	
Chmielewski	Freeman	Marty	Pogemiller	
Cohen	Gustafson	McGowan	Purfeerst	

Mr. Merriam voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1827: A bill for an act relating to civil actions; providing for immunity from liability for unpaid members of county agricultural society boards; addressing reduction of damages in an action under no-fault automobile insurance; preserving common law tort law claims against adults who knowingly provide alcoholic beverages to minors; increasing the amount of claims that may be settled without court approval under the municipal compromise of claims statute; changing the standard for awarding punitive damages; addressing when a principal may be held liable for punitive damages for an act of the principal's agent; requiring a separate trial to address punitive damages; requiring the court to review a punitive damages award; making the contributory negligence rule apply to damages resulting from economic loss; redefining fault; abolishing the doctrine of last clear chance; providing immunity from liability for volunteer ski patrollers; allowing recovery of attorney fees by good faith reporters under the child abuse reporting act; repealing the limit on intangible loss damages and the requirement that a jury specify amounts for past, future, and intangible loss damages; amending Minnesota Statutes 1988, sections 38.013; 65B.51, subdivision 1; 340A.801, by adding a subdivision; 466.08; 541.051, subdivision 1; 548.36, subdivision 3; 549.20, subdivisions 1, 2, and by adding subdivisions; 604.01, subdivisions 1, 1a, and 3; 604.05, subdivision 2; 626.556, subdivision 4; repealing Minnesota Statutes 1988, sections 549.23 and 549.24.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.E.	Mehrkens	Purfeerst
Anderson	Decker	Johnson, D.J.	Merriam	Ramstad
Beckman	DeCramer	Knaak	Moe, D.M.	Reichgott
Belanger	Dicklich	Knutson	Moe, R.D.	Renneke
Benson	Diessner	Kroening	Morse	Samuelson
Berg	Flynn	Laidig	Novak	Schmitz
Bernhagen	Frank	Lantry	Olson	Spear
Bertram	Frederick	Larson	Pariseau	Storm
Brandl	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brataas	Frederickson, D.R.	Luther	Peterson, R. W.	Vickerman
Chmielewski	Freeman	Marty	Piepho	Waldorf
Cohen	Gustafson	McGowan	Piper	
Dahl	Hughes	McQuaid	Pogemiller	

So the bill passed and its title was agreed to.

S.F. No. 2299: A bill for an act relating to agriculture; establishing the Minnesota natural wild rice promotion advisory council; proposing coding for new law in Minnesota Statutes, chapter 30.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	Mehrkens	Ramstad
Anderson	Davis	Johnson, D.E.	Merriam	Reichgott
Beckman	Decker	Johnson, D.J.	Moe, R.D.	Renneke
Belanger	DeCramer	Knaak	Morse	Samuelson
Benson	Dicklich	Knutson	Novak	Schmitz
Berg	Diessner	Kroening	Olson	Spear
Berglin	Flynn	Laidig	Pariseau	Storm
Bernhagen	Frank	Lantry	Pehler	Stumpf
Bertram	Frederick	Larson	Peterson, R. W.	Vickerman
Brandl	Frederickson, D.J.	Luther	Piepho	Waldorf
Brataas	Frederickson, D.R.	Marty	Piper	
Chmielewski	Freeman	McGowan	Pogemiller	
Cohen	Gustafson	McQuaid	Purfeerst	

So the bill passed and its title was agreed to.

S.F. No. 2207: A bill for an act relating to agriculture; requiring cash discounts on agricultural production inputs if there are interest discounts on credit terms for seller-financed sales; proposing coding for new law in Minnesota Statutes, chapter 325E.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Purfeerst
Anderson	Davis	Johnson, D.E.	Mehrkens	Ramstad
Beckman	Decker	Johnson, D.J.	Moe, D.M.	Reichgott
Belanger	DeCramer	Knaak	Morse	Renneke
Benson	Dicklich	Kroening	Novak	Samuelson
Berg	Diessner	Laidig	Olson	Schmitz
Berglin	Flynn	Lantry	Pariseau	Spear
Bernhagen	Frank	Larson	Pehler	Storm
Bertram	Frederick	Lessard	Peterson, R. W.	Stumpf
Brataas	Frederickson, D.R.	Luther	Piepho	Vickerman
Chmielewski	Freeman	Marty	Piper	Waldorf
Cohen	Gustafson	McGowan	Pogemiller	

Messrs. Brandl and Frederickson, D.J. voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1940: A bill for an act relating to health; specifying requirements for a health maintenance organization application for a certificate; establishing protections against conflicts of interest; establishing requirements for a guaranteeing organization; including certain investments as admitted assets; requiring an expedited resolution of disputes about coverage of immediately and urgently needed service; allowing replacement coverage by other health maintenance organizations; allowing appointment of a special examiner; amending Minnesota Statutes 1988, sections 62D.02, subdivision 15; 62D.03, subdivision 4; 62D.04, subdivision 1; 62D.041, subdivision 2; 62D.044; 62D.08, subdivisions 1, 2, and 6; 62D.11, subdivisions 1a, 4, and by adding a subdivision; 62D.121, by adding a subdivision; 62D.17, subdivisions 1 and 4; 62D.18, subdivision 1; 62D.211; Minnesota Statutes 1989 Supplement, sections 62D.121, subdivision 3; 72A.491, by adding a subdivision; Laws 1988, chapter 434, section 24; proposing coding for new law in Minnesota Statutes, chapter 62D; repealing Minnesota Statutes 1988, sections 62D.12, subdivisions 14 and 16; 62D.18, subdivisions 2 to 5; and 62D.20, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Pogemiller
Anderson	Davis	Johnson, D.E.	Mehrkens	Purfeerst
Beckman	Decker	Johnson, D.J.	Merriam	Ramstad
Belanger	DeCramer	Knaak	Moe, D.M.	Reichgott
Benson	Dicklich	Knutson	Moe, R.D.	Renneke
Berg	Diessner	Kroening	Morse	Samuelson
Berglin	Flynn	Laidig	Novak	Schmitz
Bernhagen	Frank	Lantry	Olson	Spear
Bertram	Frederick	Larson	Pariseau	Storm
Brandl	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brataas	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Chmielewski	Freeman	Marty	Piepho	Waldorf
Cohen	Gustafson	McGowan	Piper	

So the bill passed and its title was agreed to.

S.F No. 2051: A bill for an act relating to health; allowing a waiver of restrictions that may be placed upon controlling persons of a nursing home; amending Minnesota Statutes 1988, section 144A.04, subdivision 4; and by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Merriam	Purfeerst
Anderson	Davis	Knaak	Moe, D.M.	Ramstad
Beckman	Decker	Kroening	Moe, R.D.	Reichgott
Belanger	DeCramer	Laidig	Morse	Renneke
Benson	Dicklich	Lantry	Novak	Schmitz
Berg	Diessner	Larson	Olson	Spear
Berglin	Frank	Lessard	Pariseau	Storm
Bernhagen	Frederickson, D.J.	Luther	Pehler	Stumpf
Bertram	Frederickson, D.R.	Marty	Peterson, R.W.	Vickerman
Brataas	Gustafson	McGowan	Piepho	Waldorf
Chmielewski	Hughes	McQuaid	Piper	
Cohen	Johnson, D.E.	Mehrkens	Pogemiller	

So the bill passed and its title was agreed to.

S.F No. 2370: A bill for an act relating to human services; revising and clarifying the duties and powers of the ombudsman for mental health and mental retardation; amending Minnesota Statutes 1989 Supplement, section 245.94, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Pogemiller
Anderson	Davis	Johnson, D.E.	Mehrkens	Purfeerst
Beckman	Decker	Johnson, D.J.	Merriam	Ramstad
Belanger	DeCramer	Knaak	Moe, D.M.	Reichgott
Benson	Dicklich	Knutson	Moe, R.D.	Renneke
Berg	Diessner	Kroening	Morse	Samuelson
Berglin	Flynn	Laidig	Novak	Schmitz
Bernhagen	Frank	Lantry	Olson	Spear
Bertram	Frederick	Larson	Pariseau	Storm
Brandl	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brataas	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Chmielewski	Freeman	Marty	Piepho	Waldorf
Cohen	Gustafson	McGowan	Piper	

So the bill passed and its title was agreed to.

S.F. No. 1831: A bill for an act relating to health and human services; stating policy and requiring a plan relating to rules and regulations affecting services to persons with mental retardation and related conditions; proposing coding for new law in Minnesota Statutes, chapter 245A.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 3, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Pogemiller
Anderson	Davis	Johnson, D.E.	Mehrkens	Purfeerst
Beckman	Decker	Johnson, D.J.	Moe, D.M.	Ramstad
Belanger	DeCramer	Knaak	Moe, R.D.	Reichgott
Berg	Dicklich	Kroening	Morse	Renneke
Berglin	Diessner	Laidig	Novak	Samuelson
Bernhagen	Flynn	Lantry	Olson	Schmitz
Bertram	Frank	Larson	Pariseau	Spear
Brandl	Frederickson, D.J.	Lessard	Pehler	Storm
Brataas	Frederickson, D.R.	Luther	Peterson, R.W.	Stumpf
Chmielewski	Freeman	Marty	Piepho	Vickerman
Cohen	Gustafson	McGowan	Piper	Waldorf

Messrs. Benson, Frederick and Knutson voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 2439: A bill for an act relating to education; allowing the Pine Point School to qualify for federal impact aid; amending Minnesota Statutes 1989 Supplement, section 128B.03, subdivision 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Piper
Anderson	Davis	Johnson, D.E.	Mehrkens	Pogemiller
Beckman	Decker	Johnson, D.J.	Merriam	Purfeerst
Belanger	DeCramer	Knaak	Metzen	Ramstad
Benson	Dicklich	Knutson	Moe, D.M.	Reichgott
Berg	Diessner	Kroening	Moe, R.D.	Renneke
Berglin	Flynn	Laidig	Morse	Samuelson
Bernhagen	Frank	Lantry	Novak	Schmitz
Bertram	Frederick	Larson	Olson	Spear
Brandl	Frederickson, D.J.	Lessard	Pariseau	Storm
Brataas	Frederickson, D.R.	Luther	Pehler	Stumpf
Chmielewski	Freeman	Marty	Peterson, R.W.	Vickerman
Cohen	Gustafson	McGowan	Piepho	Waldorf

So the bill passed and its title was agreed to.

S.F. No. 2432: A bill for an act relating to crimes; requiring cemetery owners to report unlawful removal of bodies to law enforcement authorities and next of kin of the deceased person; prescribing penalties; amending Minnesota Statutes 1988, section 609.502; Minnesota Statutes 1989 Supplement, section 13.82, subdivision 10.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Piper
Anderson	Davis	Johnson, D.E.	Mehrkens	Pogemiller
Beckman	Decker	Johnson, D.J.	Merriam	Purfeerst
Belanger	DeCramer	Knaak	Metzen	Ramstad
Benson	Dicklich	Knutson	Moe, D.M.	Reichgott
Berg	Diessner	Kroening	Moe, R.D.	Renneke
Berglin	Flynn	Laidig	Morse	Samuelson
Bernhagen	Frank	Lantry	Novak	Schmitz
Bertram	Frederick	Larson	Olson	Spear
Brandl	Frederickson, D.J.	Lessard	Pariseau	Storm
Brataas	Frederickson, D.R.	Luther	Pehler	Stumpf
Chmielewski	Freeman	Marty	Peterson, R.W.	Vickerman
Cohen	Gustafson	McGowan	Piepho	Waldorf

So the bill passed and its title was agreed to.

S.F. No. 1848: A bill for an act relating to housing; making changes in the home equity conversion loan program, authorizing manufactured home park loan assistance, requiring limits, and regulating securities relating to certain home loans; amending Minnesota Statutes 1988, sections 462A.05, by adding a subdivision; 462A.21, subdivision 9; 475.66, subdivision 3; Minnesota Statutes 1989 Supplement, sections 462A.05, subdivision 34; 462A.057, subdivision 7; 462A.21, subdivisions 8b and 8c; and Laws 1989, chapter 335, article 1, section 27, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Piper
Anderson	Davis	Johnson, D.E.	Mehrkens	Pogemiller
Beckman	Decker	Johnson, D.J.	Merriam	Purfeerst
Belanger	DeCramer	Knaak	Metzen	Ramstad
Benson	Dicklich	Knutson	Moe, D.M.	Reichgott
Berg	Diessner	Kroening	Moe, R.D.	Renneke
Berglin	Flynn	Laidig	Morse	Samuelson
Bernhagen	Frank	Lantry	Novak	Schmitz
Bertram	Frederick	Larson	Olson	Spear
Brandl	Frederickson, D.J.	Lessard	Pariseau	Storm
Brataas	Frederickson, D.R.	Luther	Pehler	Stumpf
Chmielewski	Freeman	Marty	Peterson, R.W.	Vickerman
Cohen	Gustafson	McGowan	Piepho	Waldorf

So the bill passed and its title was agreed to.

S.F. No. 1838: A bill for an act relating to health; requiring a surcharge fee for hearing instrument sellers; allowing cease and desist orders against

a person violating occupation regulations; requiring positive results from a toxicology test of a pregnant woman or infant to be recorded on the birth certificate or fetal death report; amending Minnesota Statutes 1988, section 214.11; Minnesota Statutes 1989 Supplement, sections 144.698, subdivision 1; 214.06, subdivision 1; and 626.5562, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 153A.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Piper
Anderson	Davis	Johnson, D.E.	Mehrkens	Pogemiller
Beckman	Decker	Johnson, D.J.	Merriam	Purfeerst
Belanger	DeCramer	Knaak	Metzen	Ramstad
Benson	Dicklich	Knutson	Moe, D.M.	Reichgott
Berg	Diessner	Kroening	Moe, R. D.	Renneke
Berglin	Flynn	Laidig	Morse	Samuelson
Bernhagen	Frank	Lantry	Novak	Schmitz
Bertram	Frederick	Larson	Olson	Spear
Brandl	Frederickson, D.J.	Lessard	Pariseau	Storm
Brataas	Frederickson, D.R.	Luther	Pehler	Stumpf
Chmielewski	Freeman	Marty	Peterson, R. W.	Vickerman
Cohen	Gustafson	McGowan	Piepho	Waldorf

So the bill passed and its title was agreed to.

H.F. No. 2407: A bill for an act relating to health; requiring an asbestos abatement rule change.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Piper
Anderson	Davis	Johnson, D.E.	Mehrkens	Pogemiller
Beckman	Decker	Johnson, D.J.	Merriam	Purfeerst
Belanger	DeCramer	Knaak	Metzen	Ramstad
Benson	Dicklich	Knutson	Moe, D.M.	Reichgott
Berg	Diessner	Kroening	Moe, R. D.	Renneke
Berglin	Flynn	Laidig	Morse	Samuelson
Bernhagen	Frank	Lantry	Novak	Schmitz
Bertram	Frederick	Larson	Olson	Spear
Brandl	Frederickson, D.J.	Lessard	Pariseau	Storm
Brataas	Frederickson, D.R.	Luther	Pehler	Stumpf
Chmielewski	Freeman	Marty	Peterson, R. W.	Vickerman
Cohen	Gustafson	McGowan	Piepho	Waldorf

So the bill passed and its title was agreed to.

S.F. No. 1942: A bill for an act relating to insurance; making changes in arbitration proceedings concerning no-fault automobile insurance; amending Minnesota Statutes 1988, section 65B.525, by adding a subdivision; and Minnesota Statutes 1989 Supplement, section 72A.327.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Piper
Anderson	Davis	Johnson, D.E.	Mehrkens	Pogemiller
Beckman	Decker	Johnson, D.J.	Merriam	Purfeerst
Belanger	DeCramer	Knaak	Metzen	Ramstad
Benson	Dicklich	Knutson	Moe, D.M.	Reichgott
Berg	Diessner	Kroening	Moe, R.D.	Renneke
Berglin	Flynn	Laidig	Morse	Samuelson
Bernhagen	Frank	Lantry	Novak	Schmitz
Bertram	Frederick	Larson	Olson	Spear
Brandl	Frederickson, D.J.	Lessard	Pariseau	Storm
Brataas	Frederickson, D.R.	Luther	Pehler	Stumpf
Chmielewski	Freeman	Marty	Peterson, R.W.	Vickerman
Cohen	Gustafson	McGowan	Piepho	Waldorf

So the bill passed and its title was agreed to.

S.F. No. 1821: A bill for an act relating to nursing; allowing nurse practitioners to prescribe and administer drugs and therapeutic devices; authorizing the board of nursing to adopt rules; establishing an interim filing requirement; amending Minnesota Statutes 1989 Supplement, section 148.171; proposing coding for new law in Minnesota Statutes, chapter 148.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Piper
Anderson	Davis	Johnson, D.E.	Mehrkens	Pogemiller
Beckman	Decker	Johnson, D.J.	Merriam	Purfeerst
Belanger	DeCramer	Knaak	Metzen	Ramstad
Benson	Dicklich	Knutson	Moe, D.M.	Reichgott
Berg	Diessner	Kroening	Moe, R.D.	Renneke
Berglin	Flynn	Laidig	Morse	Samuelson
Bernhagen	Frank	Lantry	Novak	Schmitz
Bertram	Frederick	Larson	Olson	Spear
Brandl	Frederickson, D.J.	Lessard	Pariseau	Storm
Brataas	Frederickson, D.R.	Luther	Pehler	Stumpf
Chmielewski	Freeman	Marty	Peterson, R.W.	Vickerman
Cohen	Gustafson	McGowan	Piepho	Waldorf

So the bill passed and its title was agreed to.

S.F. No. 1952: A bill for an act relating to health; requiring a study of methods of improving systems for regulating social work and mental health occupations and professions; exempting the board of unlicensed mental health service providers from certain license fee requirements.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Piper
Anderson	Davis	Johnson, D.E.	Mehrkens	Pogemiller
Beckman	Decker	Johnson, D.J.	Merriam	Purfeerst
Belanger	DeCramer	Knaak	Metzen	Ramstad
Benson	Dicklich	Knutson	Moe, D.M.	Reichgott
Berg	Diessner	Kroening	Moe, R.D.	Renneke
Berglin	Flynn	Laidig	Morse	Samuelson
Bernhagen	Frank	Lantry	Novak	Schmitz
Bertram	Frederick	Larson	Olson	Spear
Brandl	Frederickson, D.J.	Lessard	Pariseau	Storm
Brataas	Frederickson, D.R.	Luther	Pehler	Stumpf
Chmielewski	Freeman	Marty	Peterson, R.W.	Vickerman
Cohen	Gustafson	McGowan	Piepho	Waldorf

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Consent Calendar. The motion prevailed.

CONSENT CALENDAR

H.F. No. 1893: A bill for an act relating to local government; authorizing certain towns to contribute to economic development organizations.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	Mehrkens	Reichgott
Anderson	Davis	Johnson, D.E.	Metzen	Renneke
Beckman	Decker	Johnson, D.J.	Moe, R.D.	Samuelson
Belanger	DeCramer	Knaak	Morse	Schmitz
Benson	Dicklich	Knutson	Novak	Spear
Berg	Diessner	Kroening	Olson	Storm
Berglin	Flynn	Lantry	Pariseau	Stumpf
Bernhagen	Frank	Larson	Pehler	Vickerman
Bertram	Frederick	Lessard	Piepho	Waldorf
Brandl	Frederickson, D.J.	Luther	Piper	
Brataas	Frederickson, D.R.	Marty	Pogemiller	
Chmielewski	Freeman	McGowan	Purfeerst	
Cohen	Gustafson	McQuaid	Ramstad	

Mr. Merriam voted in the negative.

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. DeCramer moved that S.F. No. 60 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

Mr. DeCramer moved that the foregoing recommendations and Conference Committee Report on S.F. No. 60 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 60 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	Merriam	Reichgott
Anderson	Davis	Johnson, D.E.	Metzen	Renneke
Beckman	Decker	Knaak	Moe, R.D.	Samuelson
Belanger	DeCramer	Knutson	Morse	Schmitz
Benson	Dicklich	Kroening	Novak	Spear
Berg	Diessner	Lantry	Olson	Storm
Berglin	Flynn	Larson	Pariseau	Stumpf
Bernhagen	Frank	Lessard	Pehler	Vickerman
Bertram	Frederick	Luther	Piepho	Waldorf
Brandl	Frederickson, D.J.	Marty	Piper	
Brataas	Frederickson, D.R.	McGowan	Pogemiller	
Chmielewski	Freeman	McQuaid	Purfeerst	
Cohen	Gustafson	Mehrkens	Ramstad	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Knutson in the chair.

After some time spent therein, the committee arose, and Mr. Knutson reported that the committee had considered the following:

S.F. No. 2063, which the committee recommends to pass, after the following motion:

Mr. Pogemiller moved to amend S.F. No. 2063 as follows:

Page 1, line 19, delete "*all human health*"

Page 1, line 20, delete everything before "*facilities*"

Page 1, line 21, delete "*in sparsely*" and insert a period

Page 1, delete lines 22 and 23

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 45, as follows:

Those who voted in the affirmative were:

Berglin	Gustafson	Luther	Peterson, R.W.	Stumpf
Cohen	Hughes	McQuaid	Pogemiller	Waldorf
Flynn	Knutson	Novak	Ramstad	
Freeman	Kroening	Pehler	Spear	

Those who voted in the negative were:

Adkins	Brataas	Frederick	Marty	Piepho
Anderson	Chmielewski	Frederickson, D.J.	McGowan	Piper
Beckman	Dahl	Frederickson, D.R.	Mehrkens	Purfeerst
Belanger	Davis	Johnson, D.E.	Merriam	Reichgott
Benson	Decker	Johnson, D.J.	Metzen	Renneke
Berg	DeCramer	Knaak	Moe, R.D.	Samuelson
Bernhagen	Dicklich	Lantry	Morse	Schmitz
Bertram	Diessner	Larson	Olson	Storm
Brandl	Frank	Lessard	Pariseau	Vickerman

The motion did not prevail. So the amendment was not adopted.

S.F. No. 1675, which the committee recommends to pass, subject to the following motions:

Mr. Berg moved to amend S.F. No. 1675 as follows:

Page 2, after line 5, insert:

“Sec. 3. [17.493] [UNIFORM REGULATION OF AQUICULTURE.]

Subdivision 1. [UNIFORMITY REQUIRED.] A state agency must regulate all aquiculture activities in the state uniformly, including aquiculture activities conducted by the state, to protect against adverse effects on health, natural resources, and the environment. The uniformity must apply to discharges into the waters of the state where the aquiculture is being conducted, discharges to other bodies of water, permits required, standards for waters of the state where the aquiculture is being conducted, and monitoring required for permits or otherwise. Aquiculture activities must be regulated uniformly regardless of the size of the aquiculture activity.

Subd. 2. [RULES.] The commissioners of agriculture, the pollution control agency, and natural resources jointly in consultation with the University of Minnesota shall adopt rules consistent with subdivision 1 to regulate aquiculture by September 1, 1990. Rules may be adopted after that date in the same manner.”

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Mr. Frederickson moved to amend the Berg amendment to S.F. No. 1675 as follows:

Page 1, line 8, delete “*The uniformity*” and insert “*These uniform regulations*” and after “*to*” insert a colon

Page 1, line 13, delete “*or otherwise*”

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the Berg amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

S.F. No. 1743, which the committee reports progress, subject to the following motions:

Mr. Schmitz moved to amend S.F. No. 1743 as follows:

Page 1, line 11, after the comma, insert “*and after the commission has determined that a majority of customers in the petitioning exchange favor the installation of extended area telephone service,*”

Page 2, line 4, after the period, insert “*The rate to the petitioning*

exchange must be available to its customers before the commission determines whether a majority of them favor the installation of extended area telephone service."

Mr. Schmitz then moved to amend the Schmitz amendment to S.F. No. 1743 as follows:

Page 1, line 6, delete "*The rate*" and insert "*An estimate of the rate*"

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the Schmitz amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

S.F. No. 1743 was then progressed.

S.F. No. 1499, which the committee recommends to pass with the following amendments offered by Messrs. Dahl, Laidig and Ms. Reichgott:

Mr. Dahl moved to amend S.F. No. 1499 as follows:

Page 1, delete lines 17 to 20 and insert:

"Subd. 3. [CASH PRICE.] "Cash price" means an amount equal to the equivalent fair market value for goods offered under a consumer credit sale as provided under section 325G.15."

Page 8, line 35, before "*This*" insert "*To the extent that this subdivision is not inconsistent with Minnesota Statutes 1988, sections 325G.15 and 325G.16,*"

Page 15, delete lines 2 to 5 and insert "*Minnesota Statutes 1988, sections 325G.15 and 325G.16, apply to the price at which the lessor may offer rental property to the lessee under a rental-purchase agreement entered before the rules adopted under section 8 are effective. Section 15 does not affect the price at which the lessor may offer rental property to the lessee under a rental-purchase agreement entered before rules adopted under section 8 are effective."*

The motion prevailed. So the amendment was adopted.

Mr. Laidig moved to amend S.F. No. 1499 as follows:

Page 2, delete lines 20 to 30

Page 2, line 31, delete "*Subd. 2. [APPLICABLE LAWS.]*"

The motion prevailed. So the amendment was adopted.

Mr. Laidig then moved to amend S.F. No. 1499 as follows:

Page 8, delete lines 35 and 36

Page 9, delete lines 1 to 7

Page 9, line 8, delete "3" and insert "2"

Page 9, line 13, delete "4" and insert "3"

Pages 14 and 15, delete section 17

The motion prevailed. So the amendment was adopted.

Ms. Reichgott moved to amend S.F. No. 1499 as follows:

Pages 2 and 3, delete section 2 and insert:

"Sec. 2. [325F83] [APPLICATION OF OTHER LAW.]

If the consumer protection provisions of sections 1 to 14 conflict with sections 325G.15 and 325G.16, sections 1 to 14 apply to a rental-purchase agreement and supersede sections 325G.15 and 325G.16."

Page 14, delete section 15

Page 15, delete lines 2 to 5

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 5, delete "amending"

Page 1, delete line 6

Page 1, line 7, delete "5;"

The motion prevailed. So the amendment was adopted.

On motion of Mr. Moe, R.D., the report of the Committee of the Whole, as kept by the Secretary, was adopted.

MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate proceed to the Order of Business of Introduction and First Reading of Senate Bills. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. Anderson and Decker introduced—

S.F. No. 2604: A bill for an act relating to taxation; property; changing the class rate applied to noncommercial seasonal recreational property; amending Minnesota Statutes Second 1989 Supplement, section 273.13, subdivision 25.

Referred to the Committee on Taxes and Tax Laws.

Messrs. DeCramer, Mehrkens, Metzen, Frederick and Vickerman introduced—

S.F. No. 2605: A resolution memorializing the congressional delegation from Minnesota to advocate certain positions regarding the development of the next Federal Highway Program.

Referred to the Committee on Transportation.

Mses. Flynn, Berglin, Messrs. Brandl, Marty and Ms. Piper introduced—

S.F. No. 2606: A bill for an act relating to health; amending the clean indoor air act; amending Minnesota Statutes 1988, sections 144.413, subdivision 2, and by adding subdivisions; 144.414, subdivisions 1, 3, and by adding a subdivision; 144.415; 144.416; and 144.417, subdivision 2.

Referred to the Committee on Health and Human Services.

Messrs. Novak; Metzen; Frank; Peterson, R.W. and Ms. Olson introduced—

S.F. No. 2607: A bill for an act relating to taxation; property; providing for valuation of manufactured home parks; classifying manufactured home parks; limiting valuation increases for manufactured home parks; requiring a notice to park residents; amending Minnesota Statutes 1988, section 273.11, by adding subdivisions; Minnesota Statutes 1989 Supplement, section 273.11, subdivision 1; Minnesota Statutes Second 1989 Supplement, sections 273.13, subdivision 23; and 273.1398, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Chmielewski introduced—

S.F. No. 2608: A bill for an act relating to education; approving a capital loan to the Finlayson school district.

Referred to the Committee on Education.

Messrs. Novak; Johnson, D.J. and Gustafson introduced—

S.F. No. 2609: A bill for an act relating to the environment; providing for the management and cleanup of tax-forfeited lands; requiring a report by the pollution control agency; amending Minnesota Statutes 1988, sections 115B.02, subdivision 11; 115B.03, by adding a subdivision; 115C.02, subdivision 8; 115C.021, by adding a subdivision; 116.49, by adding a subdivision; and 282.08; proposing coding for new law in Minnesota Statutes, chapter 282.

Referred to the Committee on Taxes and Tax Laws.

MOTIONS AND RESOLUTIONS - CONTINUED

Mrs. Lantry moved that her name be stricken as chief author, shown as a co-author, and the name of Mr. Cohen be added as chief author to S.F. No. 1777. The motion prevailed.

Mr. Merriam moved that his name be stricken as a co-author to S.F. No. 1715. The motion prevailed.

MEMBERS EXCUSED

Mr. Langseth was excused from the Session of today. Mr. Metzen was excused from the Session of today from 2:00 to 2:30 p.m. and at 5:00 p.m. Mr. Pogemiller was excused from the Session of today from 4:30 to 5:00 p.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Thursday, March 22, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTY-FIFTH DAY

St. Paul, Minnesota, Thursday, March 22, 1990

The Senate met at 12:00 noon and was called to order by the President.

CALL OF THE SENATE

Mr. Frank imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Ronald Hofmann.

The roll was called, and the following Senators answered to their names:

Adkins	Davis	Johnson, D.E.	McQuaid	Piper
Anderson	Decker	Johnson, D.J.	Mehrkens	Pogemiller
Beckman	DeCramer	Knaak	Merriam	Ramstad
Benson	Dicklich	Knutson	Metzen	Reichgott
Berg	Diessner	Kroening	Moe, D.M.	Renneke
Berglin	Flynn	Laidig	Moe, R.D.	Samuelson
Bernhagen	Frank	Langseth	Morse	Schmitz
Bertram	Frederick	Lantry	Novak	Solon
Brandl	Frederickson, D.J.	Larson	Olson	Spear
Brataas	Frederickson, D.R.	Lessard	Pariseau	Storm
Chmielewski	Freeman	Luther	Pehler	Stumpf
Cohen	Gustafson	Marty	Peterson, R.W.	Vickerman
Dahl	Hughes	McGowan	Piepho	Waldorf

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

March 21, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State S.F. No. 1947.

Sincerely,
Rudy Perpich, Governor

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 1922 and 2353.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 21, 1990

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1663: A bill for an act relating to Redwood and Lyon counties; abandoning judicial ditch number 37.

Senate File No. 1663 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 21, 1990

Mr. Moe, R.D. moved that S.F. No. 1663 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1673, 2084, 2500, 1918, 1960, 2156, 2056, 2131, 2050 and 2163.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 21, 1990

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 1673: A bill for an act relating to occupations and professions; regulating the practice of pharmacy; amending Minnesota Statutes 1988, sections 151.01, subdivisions 3 and 11; 151.13, subdivision 1; and 151.34.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1507, now on General Orders.

H.F. No. 2084: A bill for an act relating to statutes; revising the text of certain laws to remove redundant and obsolete language, to simplify grammar and syntax, and to improve the style of language without causing changes in the meaning of the laws; amending Minnesota Statutes 1988, chapters 367, as amended; and 368, as amended.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1986, now on General Orders.

H.F. No. 2500: A bill for an act relating to insurance; modifying the effective date of the statutory notice requirement for cancellation or non-renewal of individual life policies; amending Laws 1989, chapter 330, section 38.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2129, now on the Calendar.

H.F. No. 1918: A bill for an act relating to waste; providing for criminal and civil penalties for violations of pretreatment standards and requirements in the metropolitan area and for violations in the Western Lake Superior Sanitary District; amending Laws 1971, chapter 478, section 17, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 473.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2205, now on General Orders.

H.F. No. 1960: A bill for an act relating to natural resources; amending certain provisions concerned with the management of wildlife; amending Minnesota Statutes 1988, sections 97A.135, by adding a subdivision; and 97A.445, by adding a subdivision; and Minnesota Statutes 1989 Supplement, section 97B.603.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1706, now on General Orders.

H.F. No. 2156: A bill for an act relating to counties; regulating performance bonds; amending Minnesota Statutes 1988, section 375.21, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2517, now on General Orders.

H.F. No. 2056: A bill for an act relating to public safety; making it a crime for a driver to flee a peace officer from another state into Minnesota; authorizing a peace officer of another state to enter Minnesota in fresh pursuit for traffic and misdemeanor offenses; authorizing the admissibility of relevant evidence obtained in another state into evidence at Minnesota civil and criminal trials; granting peace officers of other states the authority to transport persons in legal custody under certain circumstances; amending Minnesota Statutes 1988, section 609.487, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 626 and 634.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1916, now on General Orders.

H.F. No. 2131: A bill for an act relating to crimes; prohibiting wild land arson fires; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2175, now on General Orders.

H.F. No. 2050: A bill for an act relating to human services; authorizing the lease of property to provide state-operated, community-based programs; proposing coding for new law in Minnesota Statutes, chapter 245.

Referred to the Committee on Governmental Operations.

H.F. No. 2163: A bill for an act relating to minimum wages; defining the term "employee" to exclude certain seasonal children's resident or day

camp employees; amending Minnesota Statutes 1988, section 177.23, subdivision 7.

Referred to the Committee on Employment.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 2223: A bill for an act relating to local government; reauthorizing Ramsey county and the city of St. Paul to issue general obligation bonds to finance the restoration of the concourse of the St. Paul union depot; repealing Minnesota Statutes 1988, section 383A.65, as amended.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1925: A bill for an act relating to the environment; changing certain requirements for municipal wastewater treatment grants; increasing bonding authority; amending Minnesota Statutes 1988, sections 116.18, subdivision 3c; 446A.07, subdivision 2; 446A.12, subdivision 1; and Minnesota Statutes 1989 Supplement, section 116.16, subdivisions 2 and 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, line 34, after "powers" insert ", *but not including the making of grants*"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Davis from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 1779: A bill for an act relating to agriculture; providing for mediation and arbitration of certain contract disputes; providing for recapture of capital investments required by certain agricultural contracts; clarifying responsibility of parent companies for affiliates; requiring good faith; prohibiting unfair practices; creating an ombudsman and a task force; proposing coding for new law in Minnesota Statutes, chapter 17.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [17.90] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 1 to 8.

Subd. 2. [AGRICULTURAL COMMODITY.] "Agricultural commodity" means a material produced for use in or as food, feed, seed, or fiber and

includes crops for fiber, food, oilseeds, seeds, livestock, livestock products, poultry, poultry products, and other products or by-products of the farm produced for the same or similar use.

Subd. 3. [CONTRACTOR.] "Contractor" means a person who in the ordinary course of business buys agricultural commodities grown or raised in this state or who contracts with a producer to grow or raise agricultural commodities in this state.

Subd. 4. [PRODUCER.] "Producer" means a person who produces or causes to be produced an agricultural commodity in a quantity beyond the person's own family use and is able to transfer title to another or provides management, labor, machinery, facilities, or any other production input for the production of an agricultural commodity.

Sec. 2. [17.91] [MEDIATION; ARBITRATION.]

A contract for an agricultural commodity between a contractor and a producer must contain language providing for resolution of contract disputes by either mediation or arbitration. If there is a contract dispute, either party may make a written request to the commissioner for mediation or arbitration services as specified in the contract, to facilitate resolution of the dispute.

Sec. 3. [17.92] [RECAPTURE OF CAPITAL INVESTMENT REQUIRED BY AN AGRICULTURAL CONTRACT.]

Subdivision 1. [NOTICE AND DAMAGES TO BE PAID.] A contractor must not terminate or cancel a contract that requires a producer of agricultural commodities to make a capital investment in buildings or equipment that cost \$100,000 or more and have a useful life of five or more years, until:

(1) the producer has been given written notice of the intention to terminate or cancel the contract at least 180 days before the effective date of the termination or cancellation or as provided in subdivision 3; and

(2) the producer has been reimbursed for damages incurred by an investment in buildings or equipment that was made for the purpose of meeting minimum requirements of the contract.

Subd. 2. [NOTICE WHEN PRODUCER BREACHES CONTRACT.] Except as provided in subdivision 3, if a producer fails to comply with the provisions of a contract that requires a capital investment subject to subdivision 1, a contractor may not terminate or cancel that contract until:

(1) the contractor has given written notice with all the reasons for the termination or cancellation at least 90 days before termination or cancellation or as provided in subdivision 3; and

(2) the recipient of the notice fails to correct the reasons stated for termination or cancellation in the notice within 60 days of receipt of the notice.

Subd. 3. [IMMEDIATE EFFECT OF NOTICE.] The 180-day notice period under subdivision 1, clause (1), and the 90-day notice period and 60-day notice period under subdivision 2, clauses (1) and (2), are waived and the contract may be canceled or terminated immediately if the alleged grounds for termination or cancellation are:

(1) voluntary abandonment of the contract relationship by the producer;

or

(2) conviction of the producer of an offense directly related to the business conducted under the contract.

Sec. 4. [17.93] [PARENT COMPANY RESPONSIBILITY FOR CONTRACTS OF SUBSIDIARIES.]

Subdivision 1. [LICENSING.] If a contractor is required to obtain a license to purchase agricultural commodities, the licensing authority may require the parent company of a licensee subsidiary to guarantee payment or contract performance as a condition of licensing.

Subd. 2. [PARENT COMPANY LIABILITY.] If an agricultural contractor is the subsidiary of another corporation, partnership, or association, the parent corporation, partnership, or association is liable to a seller for the amount of any unpaid claim or contract performance claim if the contractor fails to pay or perform according to the terms of the contract.

Sec. 5. [17.94] [IMPLIED PROMISE OF GOOD FAITH.]

There is an implied promise of good faith as defined in section 336.1-201, subsection 19, in all agricultural contracts. In an action to recover damages, if the court finds that there has been a violation of this provision, damages, court costs, and attorney fees may be recovered.

Sec. 6. [17.945] [RULES.]

The commissioner may adopt rules to implement sections 1 to 8 including the prohibition of specific trade practices.

Sec. 7. [17.95] [DEPARTMENT OF AGRICULTURE OMBUDSMAN.]

A position is created in the department of agriculture to provide information, investigate complaints arising from this chapter, and provide or facilitate dispute resolutions.

Sec. 8. [17.97] [AGRICULTURAL INPUT PREPAYMENTS.]

If a producer makes a prepayment for agricultural production inputs that include but are not limited to seed, feed, fertilizer, pesticides, or fuel for future delivery, the producer may demand a letter of credit or bank guarantee to ensure reimbursement if delivery does not occur.

Sec. 9. [17.98] [DAIRY MARKETING CONTRACTS EXCEPTED.]

Dairy marketing agreements between producers and purchasers of milk are not contracts for purposes of sections 1 to 8.

Sec. 10. [514.945] [AGRICULTURAL PRODUCER'S LIEN.]

Subdivision 1. [ATTACHMENT.] (a) A person who produces an agricultural commodity as defined in section 1, subdivision 2, except grain as defined in section 232.21, subdivision 7, and raw milk has a lien for the contract price or, if there is no contract the fair market value, of the agricultural commodity produced by the person and delivered to a buyer. The lien attaches to the agricultural commodity and products and proceeds of the agricultural commodity.

(b) If the agricultural commodity is or becomes commingled with other agricultural commodities or goods, the lien continues in the proportionate share of the other agricultural commodities or goods.

(c) If an agricultural commodity to which the lien attaches becomes manufactured or processed to become part of another product the lien continues and attaches to the product manufactured or processed.

(d) An agricultural producer's lien does not attach to agricultural commodities:

(1) purchased by a marketing cooperative association; or

(2) purchased free of a security interest or lien as provided in United States Code, title 7, section 1631, and sections 223A.03 and 223A.04.

Subd. 2. [PERFECTION.] An agricultural producer's lien is perfected from the time the agricultural commodity is delivered until 20 days after the agricultural commodity is delivered without filing. An agricultural producer's lien may continue to be perfected if a lien statement under subdivision 3 is filed in the appropriate filing office under section 336.9-401 by 20 days after the agricultural commodity is delivered.

Subd. 3. [LIEN STATEMENT.] (a) A lien statement must be in writing and verified by the producer and must contain:

(1) a statement of the amount due for the agricultural commodity after deducting applicable credits and offsets;

(2) the name of the purchaser to whom the agricultural commodity was delivered;

(3) a description sufficient to identify the agricultural commodity delivered and subject to the lien;

(4) the date and location to which the agricultural commodity was delivered; and

(5) the date when payment was due for the agricultural commodity subject to the lien.

(b) A lien statement is void and may be removed from the filing system six months after the date of filing. The lien statement may be physically destroyed 30 months after the date of filing.

Subd. 4. [PRIORITY.] (a) An agricultural producer's lien has priority over all other liens and encumbrances in:

(1) the agricultural commodity;

(2) proceeds from the agricultural commodity;

(3) the proportionate share of the agricultural commodities or goods with which the agricultural commodity has been commingled; and

(4) the products manufactured or processed with the agricultural commodity.

(b) An agricultural producer's lien that is continuously perfected from the time of delivery has priority over other liens and encumbrances whether they are filed before or after the agricultural producer's lien.

(c) An agricultural producer's lien that is filed after 20 days after delivery of the agricultural commodity has priority in the order it is filed.

(d) Priority among perfected agricultural producers' liens is according to the first lien filed.

(e) An agricultural producer's lien that is not perfected has the priority

of an unperfected security interest under section 336.9-312.

Subd. 5. [LIEN TERMINATED.] An agricultural producer's lien is terminated on:

(1) full payment for the agricultural commodity delivered;

(2) recovery of the agricultural commodity in kind; or

(3) six months after the agricultural commodity is delivered if an action to enforce the lien has not been commenced.

Subd. 6. [ENFORCEMENT.] The holder of an agricultural producer's lien may enforce the lien in the manner provided in sections 336.9-501 to 336.9-508, subject to section 550.17. For enforcement of the lien, the lienholder is the secured party and the person receiving the agricultural commodity is the debtor, and each has the respective rights and duties of a secured party and a debtor under sections 336.9-501 to 336.9-508. If a right or duty under sections 336.9-501 to 336.9-508 is contingent upon the existence of express language in a security agreement or may be waived by express language in a security agreement, the requisite language does not exist.

Subd. 7. [SATISFACTION OF LIEN.] A lienholder must remove a lien statement from the filing system after the lien is satisfied.

Subd. 8. [ENFORCEMENT ACTION.] An agricultural producer's lien may be brought in district court in a county where the property to which the lien attaches is located or the county where the agricultural commodity was originally delivered. The court shall allow costs including attorney fees to the prevailing party.

Sec. 11. Laws 1989, chapter 350, article 20, section 25, is amended to read:

Sec. 25. [FORAGE AND TURF SEED SPECIALIST; CROOKSTON CAMPUS.]

\$50,000 is appropriated from the general fund to the University of Minnesota for a crop management specialist on seed production of forage and turf species in northern Minnesota, and for supplies, services, and expenses related to the specialist's work. The specialist must be located at the Crookston campus of the university. This appropriation is available for the fiscal year ~~biennium~~ ending June 30, ~~1990~~ 1991.

Sec. 12. [APPROPRIATION.]

\$50,000 is appropriated to the commissioner of agriculture for purposes of the ombudsman under section 7 for the fiscal year ending June 30, 1991. The complement of the department of agriculture is increased by one position."

Amend the title as follows:

Page 1, line 8, delete "and a task force" and after the semicolon, insert "appropriating money; amending Laws 1989, chapter 350, article 20, section 25;"

Page 1, line 9, delete "chapter 17" and insert "chapters 17 and 514"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Davis from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 2037: A bill for an act relating to agriculture; changing the definition of farm products; changing provisions related to wholesale produce dealers; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 17.14, subdivision 3; 27.01, subdivisions 2, 3, 5, 8, and by adding a subdivision; 27.03, subdivision 1, and by adding a subdivision; 27.04; 27.041; 27.05; 27.06; and 27.19; proposing coding for new law in Minnesota Statutes, chapter 27.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 17.14, subdivision 3, is amended to read:

Subd. 3. [FARM PRODUCTS.] The term “farm products” means ~~and includes~~ butter, milk, cream, butterfat, cheese, other dairy products, honey, eggs, poultry, *poultry products, perishable fresh fruits and vegetables*, and all livestock and products of livestock such as wool, mohair, hides, and meats.

Sec. 2. Minnesota Statutes 1988, section 27.01, subdivision 2, is amended to read:

Subd. 2. [PRODUCE.] The term “produce” ~~includes means:~~

~~(a)~~ (1) perishable fresh fruits and vegetables;

~~(b)~~ (2) milk and cream and products manufactured ~~therefrom~~ *from milk and cream; and*

~~(c)~~ (3) poultry and poultry products;

~~(d)~~ Wool and perishable unmaturred feedstuffs.

Sec. 3. Minnesota Statutes 1988, section 27.01, subdivision 5, is amended to read:

Subd. 5. [DUE DATE.] ~~The term~~ “Due date” means ten days from the date of delivery of produce by the seller to the licensee ~~in the case of a sale; in all cases where.~~

If produce is consigned, “due date” means ten days from the date the sale is made by the broker or handler, except as to milk processing plants, where the due date means 15 days following the monthly day of accounting subsequent to deliveries following the date fixed by each milk processing plant for such that accounting.

Sec. 4. Minnesota Statutes 1988, section 27.01, subdivision 8, is amended to read:

Subd. 8. [WHOLESALE PRODUCE DEALER.] (a) ~~The term~~ “Wholesale produce dealer” or “dealer at wholesale” ~~includes means:~~

(1) ~~Any~~ a person who buys or contracts to buy produce in wholesale lots for resale;

(2) ~~Any~~ a person engaging in the business of a broker or agent, who handles or deals in produce for a commission or fee;

(3) ~~Any~~ a truck owner or operator who buys produce in wholesale lots for resale; and

(4) ~~Any~~ a person engaged in the business of a cannery, food manufacturer, or food processor, ~~and who purchases produce in wholesale lots as a part of such that business.~~

(b) ~~The term~~ For purposes of paragraph (a), "wholesale lots" means purchases from Minnesota sellers must total more than \$12,000 annually.

(c) "Wholesale produce dealer" or "dealer at wholesale" does not include:

(1) ~~Any~~ a truck owner and operator who regularly engages in the business of transporting freight, including produce, for a transportation fee only, and who does not purchase, contract to purchase, or sell produce;

(2) ~~Any~~ a marketing cooperative association in which substantially all of the voting stock is held by patrons who patronize the association and in which at least 75 percent of the business of the association is transacted with member or stockholder patrons;

(3) ~~Any~~ a person who purchases, ~~and pays cash in full at the time of purchase,~~ Minnesota seasonally grown produce defined in subdivision 2, clause ~~(a)(1)~~, and pays cash, including lawful money of the United States, a cashier's check, a certified check, or a personal or business check;

(4) ~~Any~~ a person who handles and deals in only canned, packaged, processed produce or packaged dairy products, ~~all of which are no longer deemed to be perishable;~~ or

(5) retail merchants who purchase produce, defined in subdivision 2, directly from farmers, which in the aggregate does not exceed \$500 per month.

Sec. 5. Minnesota Statutes 1988, section 27.01, is amended by adding a subdivision to read:

Subd. 10. [SELLER.] "Seller" means a farmer or wholesale produce dealer, whether the owner of the produce or producing it for another person who holds title to it.

Sec. 6. Minnesota Statutes 1988, section 27.03, subdivision 1, is amended to read:

Subdivision 1. [LICENSE.] ~~No~~ A person ~~except a wool dealer shall~~ may not engage in, or purport to be engaged in, or hold out as being engaged in, the business of a dealer at wholesale, or as being a dealer at wholesale, unless licensed and bonded ~~to carry on such business~~ by the commissioner.

Sec. 7. Minnesota Statutes 1988, section 27.03, is amended by adding a subdivision to read:

Subd. 3. [BROKERS.] (a) A wholesale produce dealer operating as a broker, upon negotiating the sale of farm products, shall issue to both buyer and seller a written memorandum of sale before the close of the next business day showing price, date of delivery, quality, and other details of the transaction.

(b) The memorandum required in paragraph (a) must have an individual identifying number printed upon it. Numbers must be organized and printed on the memoranda so that each memorandum can be identified and accounted for sequentially. Unused or damaged memoranda must be retained by the

broker for accounting purposes.

(c) A wholesale produce dealer operating as a broker may not alter the terms of a transaction specified on the original memorandum of sale required in paragraph (a) without the consent of both parties to the transaction. Upon making a change, the broker is required to issue a clearly marked corrected memorandum of sale indicating the date and time when the adjustment or change was made. The broker shall transmit the corrected memorandum to both the buyer and seller before the close of the next business day.

Sec. 8. Minnesota Statutes 1988, section 27.03, is amended by adding a subdivision to read:

Subd. 4. [PAYMENTS FOR PRODUCE.] (a) If there is a contract between a seller and a wholesale produce dealer to buy produce, the wholesale produce dealer must pay for the produce that is delivered to the wholesale produce dealer at the time and in the manner specified in the contract with the seller. If the due date is not set by the contract, the wholesale produce dealer shall pay for the produce by ten days after delivery or taking possession of the produce. A payment received after the due date must include payment of 12 percent annual interest prorated for the number of days past the due date.

(b) For purposes of this section, a signed invoice that specifies a due date is a contract.

Sec. 9. Minnesota Statutes 1988, section 27.04, is amended to read:

27.04 [APPLICATION FOR LICENSE.]

License to engage in the business of a dealer at wholesale within the state shall be issued by the commissioner to such reputable persons as apply therefor, pay the prescribed fee, and comply with the conditions herein specified.

The application shall be in writing, accompanied by the prescribed fee and under oath, and shall set forth the place or places where the applicant intends to carry on the business for which the license is desired, the estimated amount of business to be done monthly, the amount of business done during the preceding year, if any, the full names of the persons constituting the firm, in case the applicant is a copartnership, the names of the officers of the corporation and where incorporated, if a corporation, and a financial statement showing the value and character of the assets and the amount of liabilities of the applicant-, *the income and expenses for the most recent year, the names and addresses of all shareholders who own at least five percent of a corporate applicant's shares of stock, whether the applicant or any of its officers, partners, or agents have been involved in any litigation relating to the business of a wholesale produce dealer in the previous five years, and any other information relevant to the conduct of its business as a wholesale produce dealer in the previous five years, as the commissioner may require. If a contract is used in a transaction, a copy of that contract must also be submitted to the department.*

Financial data required of an applicant under this section is classified as private data with regard to data on individuals and as nonpublic data with regard to data not on individuals under section 13.02.

Applications shall be filed annually to ~~be reviewed semiannually~~. Upon

special order, the commissioner may require persons engaged in the business of a dealer at wholesale to file at the time and in the manner the commissioner directs, sworn or unsworn reports or answers in writing to specific questions on any matter which the commissioner may investigate.

For the purposes of this section, the commissioner or the commissioner's authorized agents shall have authority to audit and review any records relating to the financial condition of any dealer at wholesale or any transactions between such dealer and those entitled to the protections of this chapter, if such records are in the possession of or under the care, custody, or control of such dealer or the dealer's authorized agent. No person shall willfully make any false entries or statements or fail to make full and true entries and statements in any report, answer required, document demanded under this section. No person shall remove from the state, mutilate, or alter any document relevant to any investigation, hearing, or proceeding conducted under chapter 27.

Sec. 10. Minnesota Statutes 1988, section 27.041, is amended to read:

Subdivision 1. [BONDS.] (a) The applicant required to be bonded shall execute and file with the commissioner a surety bond to the state of Minnesota to be approved by the commissioner, the amount, form, and effective date to be ~~fixed~~ *determined* by the commissioner with the maximum not to exceed ~~\$500,000~~ *\$1,000,000*. In lieu of ~~said~~ the surety bond the commissioner may accept a duly executed letter of credit. ~~Said~~ The bond or letter of credit shall be conditioned on the faithful performance of the applicant's duties as a dealer at wholesale including:

(1) the observance of all laws relating to the carrying on of the business of a dealer at wholesale;

(2) ~~the payment when due of the purchase price of produce purchased by the applicant when notice of default is given the commissioner within 40 days after the due date,~~ unless it appears to the commissioner that a voluntary extension of credit has been given on the produce by the seller to the licensee beyond the due date;

(3) the prompt settlement and payment of all claims and charges due the state for services rendered or otherwise;

(4) the prompt reporting of sales as required by law to all persons consigning produce to the licensee for sale on commission, and;

(5) the prompt payment to the persons entitled thereto of the proceeds of the sales, less lawful charges, disbursements, and commissions.

(b) The bond shall cover all wholesale produce business subject to the protection outlined in section 27.001 which is:

(1) transacted within this state; or

(2) transacted in part within this state and in part within the states and provinces contiguous with this state *and sold by Minnesota sellers.*

Subd. 2. [LICENSES.] (a) The license, or a certified copy of the license, must be kept posted in the office of the licensee at each place within the state where the licensee transacts business. ~~Every~~ *A wholesale produce dealer may not appoint, delegate, or authorize a person, firm, or company to purchase produce unless a certified copy, identification card, or truck decal has been issued at the request of the wholesale produce dealer to that person, firm, or company acting as the buyer or agent.*

(b) A license ~~shall expire~~ expires June 30 following its issuance and ~~thereafter~~ must be renewed July 1 of each year. ~~Any~~

(c) A license issued under this subdivision is automatically void upon the termination of the surety bond covering the licensed operation.

(d) The fee for each license shall be based on the following schedule:

License Fee	Penalty for Late Renewal	Dollar Volume of Business
\$30	\$10	\$10,000 or less per month
\$60	\$15	Over \$10,000 to \$50,000 per month
\$300	\$75	Over \$50,000 to \$100,000 per month
\$400	\$100	Over \$100,000 per month

must include a \$50 registration fee and an additional fee of .025 percent of the total annual dollar amount of produce purchased the previous year from sellers within the state of Minnesota subject to this chapter. Fees may not exceed \$1,500 per license. In addition, a fee of \$20 shall be charged for each certified copy of a license, \$5 for each license identification card, and \$5 \$10 for each license identification truck decal. ~~The commissioner shall make appropriate license fee adjustments for up to one year from July 1, 1975, for persons required to be licensed hereunder, who hold validly issued licenses as of the effective date of Laws 1975, chapter 227 under the provisions of law amended or repealed herein.~~

(e) A penalty amounting to ten percent of the fees due may be imposed by the commissioner for each month for which the fees are delinquent.

(f) The amounts received by the commissioner must be deposited with the state treasurer and constitute a separate account in the state treasury known as the "wholesale produce dealer account." The wholesale produce dealer account is annually appropriated to the commissioner to be used to defray the cost of administering and enforcing sections 27.001 to 27.06, and sections 27.11 to 27.19.

(g) A licensee who sells, disposes of, or discontinues the licensee's business during the lifetime of a license shall at the time the action is taken, notify the commissioner in writing, and upon demand produce before the commissioner a full statement of all assets and liabilities as of the date of transfer or discontinuance of the business.

~~Money collected from license fees shall be deposited in the state treasury.~~

Sec. 11. Minnesota Statutes 1988, section 27.05, is amended to read:

27.05 [ADDITIONAL BONDS; TRUST.]

Subdivision 1. [BONDS.] The commissioner, when of the opinion that any bond theretofore given by any licensee is inadequate for the proper protection of the public, may require the licensee to give additional bonds in such amounts as from time to time the commissioner may determine and direct, with sureties to be approved by the commissioner, and conditioned as set forth in section 27.04. For the purpose of fixing or changing the amount of such bonds, the commissioner may require from a licensee verified statements of the licensee's business. Failure of the licensee to furnish such information or to give a new or additional bond is cause for suspension of the licensee's license for as long as the failure continues, or revocation of the license, on ten days' notice to the licensee and opportunity to be heard. Where the public interest requires it the commissioner may

suspend the license after such notice pending hearing and decision.

Subd. 2. [WHOLESALE PRODUCE DEALERS' TRUST.] (a) To satisfy outstanding obligations to unpaid sellers, wholesale produce dealers shall maintain certain assets in trust so that the assets are freely available to satisfy outstanding obligations.

(b) The trust is made up of produce received in all transactions, all inventories of produce or other products derived from the produce, and all receivables or proceeds from the sale of the produce and food or products derived from it. Trust assets are to be preserved as a nonsegregated floating trust. Commingling of trust assets is contemplated.

Subd. 3. [TRUST BENEFITS.] (a) If a seller who has met the eligibility requirements of the due date, as defined in section 27.01, transfers ownership, possession, or control of goods to a wholesale produce dealer, it automatically becomes eligible to participate in the trust. Participants who preserve their rights to benefits within 40 days past the due date remain beneficiaries until they are paid in full.

(b) Wholesale produce dealers acting on behalf of others have the duty to preserve their principals' rights to trust benefits by filing timely written notice with their customers and with the commissioner within 40 days past the due date.

Subd. 4. [FILING NOTICE OF INTENT TO PRESERVE TRUST BENEFITS.] Notice of intent to preserve benefits under a trust must be in writing, given to the debtor, and filed with the commissioner within 40 days after the due date. Timely filing of a notice of intent to preserve trust benefits by a trust beneficiary has been made if written notice is given to the debtor and filed with the commissioner within 40 days after the due date. An appropriate notice of intent to preserve trust benefits must be in writing, must include the statement that it is a notice of intent to preserve trust benefits, and must include information establishing for each shipment: (1) the names and addresses of the trust beneficiary, seller, and debtor, as applicable; (2) the date of the transaction commodity, contract terms, invoice price, and the date payment was due; (3) the date of receipt of notice that a payment instrument has been dishonored, if appropriate; and (4) the amount past due and unpaid.

Sec. 12. [27.055] [MEDIATION AND ARBITRATION.]

A contract for produce between a buyer and a seller must contain language providing for resolution of contract disputes by either mediation or arbitration. If there is a contract dispute, either party may make a written request to the department for mediation or arbitration, as specified in the contract to facilitate resolution of the dispute.

Sec. 13. Minnesota Statutes 1988, section 27.06, is amended to read:

27.06 [COMPLAINTS TO COMMISSIONER, HEARING; ACTION ON BOND.]

Any person claiming to be damaged by any breach of the conditions of a bond given by a licensee, as herein provided, may enter complaint thereof to the commissioner *within 40 days after the due date*, which complaint shall be a written statement of the facts constituting the complaint. Upon filing the complaint in the manner herein provided, the commissioner shall investigate the charges made and *may* have the matter heard as a contested case pursuant to chapter 14. ~~No hearing shall be required if all affected~~

parties to a bond claim proceeding waive their right to a hearing and agree to accept the commissioner's determination as to the validity of the claims and the allocation of the proceeds of the bond, if an affected party requests one.

Sec. 14. [27.065] [PARENT COMPANY LIABILITY.]

If a wholesale produce dealer is a subsidiary of another corporation, partnership, or association, the parent corporation, partnership, or association is liable to a seller for the amount of any unpaid claim or contract performance claim if the wholesale produce dealer fails to pay or perform according to the terms of the contract and this chapter.

Sec. 15. Minnesota Statutes 1988, section 27.19, is amended to read:

27.19 [VIOLATIONS, PENALTIES.]

Subdivision 1. [UNLAWFUL ACTS.] Any It is unlawful for a person subject to the provisions of this section and sections 27.01 to 27.15 who shall to:

(1) operate or advertise to operate as a dealer at wholesale without a license; ~~or~~

(2) make any false statement or report as to the grade, condition, markings, quality, or quantity of produce, as defined in section 27.069, received or delivered, or act in any manner so as to deceive the consignor or purchaser thereof; ~~or~~

(3) refuse to accept any shipment contracted for by the person, unless such refusal is based upon the showing of a state inspection certificate secured with reasonable promptness after the receipt of such shipment showing that the kind and quality of produce, as defined in section 27.069, is other than that purchased or ordered by the person; ~~or~~

(4) fail to account for produce or to make settlement therefor within the time herein limited; or ~~who shall~~ violate or fail to comply with the terms or conditions of any contract entered into by the person for the purchase or sale of produce; ~~or~~

(5) purchase for the person's own account any produce received on consignment, either directly or indirectly, without the consent of the consignor; ~~or~~

(6) issue any false or misleading market quotations, or ~~who shall~~ cancel any quotations during the period advertised by the person; ~~or~~

(7) increase the sales charges on produce shipped to the person by means of "dummy" or fictitious sales; ~~or~~

(8) receive decorative forest products and the products of farms and waters from foreign states or countries for sale or resale, either within or without the state, and give the purchaser the impression, through any method of advertising or description, that the produce is of Minnesota origin; ~~or~~

(9) ~~Whoever shall violate any provisions of this section and sections 27.01 to 27.15, or any rule made or published thereunder by the commissioner, shall be guilty of a misdemeanor and the person's license may be forthwith suspended, revoked, or canceled by the commissioner, upon ten days notice and opportunity to be heard; but, upon conviction of any such offense, or upon conviction in any federal court for violation of the federal statutes relative to the fraudulent use of the mails, or conviction in any~~

court of other criminal acts under any federal food or drug statute, or any statute of this state administered by the commissioner of agriculture, pertaining to the conduct of the person's business, the commissioner may forthwith revoke and cancel the license of the person so convicted. Each day a person violates any provisions of this section and sections 27-01 to 27-15, or any rule published thereunder by the commissioner, shall constitute a separate offense. fail to notify in writing all suppliers of produce of the protection afforded to suppliers by the person's licensee bond including the following: availability of a bond; notice requirements; and any other conditions of the bond;

(10) make any false statement to the commissioner on an application for license or bond or in response to written questions from the commissioner regarding the license or bond;

(11) discriminate between different sections, localities, communities, or cities, or between persons in the same community, by purchasing produce from farmers of the same grade, quality, and kind, at different prices, except that price differentials are allowed if directly related to the costs of transportation, shipping, and handling of the produce. A person is allowed to meet the prices of a competitor in good faith, in the same locality for the same grade, quality, and kind of produce. A showing of different prices by the commissioner is prima facie evidence of discrimination; or

(12) commit to pay and not pay in full for all produce committed for.

Subd. 2. [PENALTIES.] (a) A person who violates this chapter or rules adopted under this chapter may be assessed a civil penalty not to exceed \$500 per violation. In addition, the person's license may be suspended, revoked, or canceled by the commissioner, upon ten days' notice and opportunity to be heard. Action under this subdivision is a civil penalty.

(b) A person who willfully violates this chapter or rules adopted under this chapter is guilty of a misdemeanor. Upon conviction, or upon conviction in a federal court for violation of the federal statutes relative to fraudulent use of the mails or in any court of other criminal acts under a federal food or drug statute or a statute of this state administered by the commissioner of agriculture pertaining to the conduct of the person's business, the commissioner may immediately revoke and cancel the license of the person convicted, without further hearing.

(c) A separate violation occurs with respect to each different person involved, each purchase or transaction involved, and each false statement.

Subd. 3. [SETTLEMENTS.] The commissioner or the commissioner's authorized representative may enter into a written agreement with a person in settlement of an alleged violation whether or not a hearing is held. An agreement must be construed as a "no contest" pleading and may encompass any sanctions, penalties, or affirmative actions that are mutually satisfactory and are consistent with the intent and purpose of this chapter. The agreement is final and conclusive with respect to the action, 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. In an action, suit, or proceeding, the agreement and any determination or payment made under the agreement is final and conclusive and may not be annulled, modified, set aside, or disregarded. A civil penalty amount received by the

commissioner under this section must be deposited in the wholesale produce dealer account.

Subd. 4. [SEIZURE OF VEHICLES.] A person doing business in this state who does not have a business location in this state and who is not licensed as required by this chapter may have the person's vehicles or the vehicles of the person's agents or contractors seized by the commissioner after a hearing in Ramsey county district court. If a person required to comply with this chapter fails to appear, without just cause, or the person appears and is in violation of this chapter, the court shall order the commissioner to seize the vehicles.

Subd. 5. [DOUBLE DAMAGES.] (a) A person injured by a person doing business in this state as a wholesale produce dealer who is not licensed under this chapter or whose license has been suspended or revoked by the commissioner, may in an action recover double the amount of damages sustained.

(b) There is an implied promise of good faith between producers and buyers. In an action to recover damages, if there is a finding that there has been a violation of this provision, double damages may be recovered, as well as court costs and attorney fees."

Delete the title and insert:

"A bill for an act relating to agriculture; changing the definition of farm products; changing provisions related to wholesale produce dealers; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 17.14, subdivision 3; 27.01, subdivisions 2, 5, 8, and by adding a subdivision; 27.03, subdivision 1, and by adding subdivisions; 27.04; 27.041; 27.05; 27.06; and 27.19; proposing coding for new law in Minnesota Statutes, chapter 27."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davis from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 1982: A bill for an act relating to agriculture; creating a restricted seed potato growing area; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 21.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [21.1196] [RESTRICTED SEED POTATO GROWING AREA.]

Subdivision 1. [DEFINITION.] (a) "Restricted seed potato growing area" means Kittson county.

(b) "Historic certified seed potato area" means the portion of Marshall county included in the towns of Augsburg and Nelson Park that are north of Marshall county highway No. 5.

Subd. 2. [RESTRICTION.] (a) The seed potato certification requirements under sections 21.111 to 21.122 apply to potatoes grown in plots of ten acres or more in the restricted seed potato growing area. Qualifying potatoes grown in the restricted seed potato growing area must be certified

as seed potatoes.

(b) *The commissioner may enter and inspect plots subject to paragraph (a) during the growing season.*

Subd. 3. [PENALTY.] A potato grower who violates subdivision 2, paragraph (a), is subject to a penalty of \$100 per acre of potatoes grown and not certified.

Sec. 2. [HISTORIC CERTIFIED SEED POTATO AREA STUDY.]

In the historic certified seed potato area of Marshall county, the certified seed division of the department of agriculture must study the effect of diseases on seed potatoes in the area, including the effect of diseases from commercial potatoes. The commissioner must prepare a report and submit it to the legislature by December 15, 1991.

Sec. 3. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, after "area" insert "and historic certified seed potato area; providing restrictions; requiring a study"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1874: A bill for an act relating to meetings of public bodies; government data practices; defining final disposition of a disciplinary action regarding personnel records; making clear that meetings may not be closed on the basis of data classification statutes; providing an exception to the open meeting law for preliminary discussions concerning allegations of misconduct against government employees; amending Minnesota Statutes 1988, sections 13.43, subdivision 2; and 471.705, by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 13.43, subdivision 2, is amended to read:

Subd. 2. [PUBLIC DATA.] (a) Except for employees described in subdivision 5, the following personnel data on current and former employees, volunteers, and independent contractors of a state agency, statewide system, or political subdivision and members of advisory boards or commissions is public: name; actual gross salary; salary range; contract fees; actual gross pension; the value and nature of employer paid fringe benefits; the basis for and the amount of any added remuneration, including expense reimbursement, in addition to salary; job title; job description; education and training background; previous work experience; date of first and last employment; the *existence and* status of any complaints or charges against the employee, whether or not the complaint or charge resulted in a disciplinary action; ~~and the final disposition of any disciplinary action together with the specific reasons for the action and supporting documentation data documenting the basis of the action, excluding data that would identify~~

confidential sources who are employees of the public body; the terms of any agreement settling administrative or judicial proceedings; work location; a work telephone number; badge number; honors and awards received; payroll time sheets or other comparable data that are only used to account for employee's work time for payroll purposes, except to the extent that release of time sheet data would reveal the employee's reasons for the use of sick or other medical leave or other not public data; and city and county of residence.

(b) For purposes of this subdivision, a final disposition occurs when the state agency, statewide system, or political subdivision makes its final decision about the disciplinary action, regardless of the possibility of any later proceedings or court proceedings. In the case of arbitration proceedings arising under collective bargaining agreements, a final disposition occurs at the conclusion of the arbitration proceedings. Final disposition includes a resignation by an individual when the resignation occurs after the final decision of the state agency, statewide system, political subdivision, or arbitrator.

Sec. 2. Minnesota Statutes 1988, section 471.705, is amended by adding a subdivision to read:

Subd. 1d. [TREATMENT OF DATA CLASSIFIED AS NOT PUBLIC.] (a) Except as provided in this section, meetings may not be closed to discuss data that are not public data. Data that are not public data may be discussed at a meeting subject to this section without liability or penalty, if the disclosure relates to a matter within the scope of the public body's authority, is reasonably necessary to conduct the business or agenda item before the public body, and is without malice. During an open meeting, a public body shall make reasonable efforts to protect from disclosure data that are not public data, including where practical acting by means of reference to a letter, number, or other designation that does not reveal the identity of the data subject. Data discussed at an open meeting retain the data's original classification; however, a record of the meeting, regardless of form, shall be public.

(b) Any portion of a meeting must be closed if expressly required by other law or if the following types of data are discussed:

(1) data that would identify alleged victims or reporters of criminal sexual conduct, domestic abuse, or maltreatment of minors or vulnerable adults;

(2) active investigative data as defined in section 13.82, subdivision 5, or internal affairs data relating to allegations of law enforcement personnel misconduct collected or created by a law enforcement agency; or

(3) educational data, health data, medical data, welfare data, or mental health data that are not public data under section 13.32, 13.38, 13.42, or 13.46, subdivision 2 or 7.

(c) A public body shall close a meeting for preliminary consideration of allegations or charges against an individual subject to its authority. If the members conclude that discipline of any nature may be warranted, further meetings or hearings must be open. A meeting must also be open at the request of the individual who is the subject of the meeting.

(d) A public body may close a meeting to evaluate the performance of an individual who is subject to its authority. The public body shall identify

the individual to be evaluated prior to closing a meeting. At its next open meeting, the public body shall summarize its conclusions regarding the evaluation. A meeting must be open at the request of the individual who is the subject of the meeting.

(e) Meetings may be closed if the closure is expressly authorized by statute or permitted by the attorney-client privilege.

Sec. 3. Minnesota Statutes 1988, section 471.705, is amended by adding a subdivision to read:

Subd. 1e. [REASONS FOR CLOSING A MEETING.] Before closing a meeting, a public body shall state on the record the specific grounds permitting the meeting to be closed and describe the subject to be discussed."

Amend the title as follows:

Page 1, line 9, before the semicolon, insert "or evaluations of government employees"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 2173: A bill for an act relating to the environment; providing assistance to eligible recipients on methods to prevent toxic pollution; providing financial assistance to research and demonstrate alternative means to prevent toxic pollution; requiring facilities to develop plans to prevent toxic pollution; providing penalties; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 115D.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"MINNESOTA TOXIC POLLUTION PREVENTION ACT

Section 1. [115D.01] [CITATION.]

Sections 1 to 12 may be cited as the "Minnesota toxic pollution prevention act."

Sec. 2. [115D.02] [POLICY.]

(a) To protect the public health, welfare, and the environment, the legislature declares that it is the policy of the state to encourage toxic pollution prevention. The preferred means of preventing toxic pollution are techniques and processes that are implemented at the source and minimize the transfer of toxic pollutants from one environmental medium to another.

(b) The legislature intends that the programs developed under this act shall encourage and lead to a greater awareness of the need for and benefits of toxic pollution prevention, and to a greater degree of cooperation and coordination among all elements of government, industry, and the public in encouraging and carrying out pollution prevention activities.

Sec. 3. [115D.03] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to this chapter.

Subd. 2. [COMMISSION.] "Commission" means the emergency response commission under section 299K.03.

Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of the pollution control agency.

Subd. 4. [DIRECTOR.] "Director" means the director of the office of waste management.

Subd. 5. [ELIGIBLE RECIPIENT.] "Eligible recipient" means a person who uses, generates, or releases toxic pollutants, hazardous substances, or hazardous wastes.

Subd. 6. [FACILITY.] "Facility" means buildings, equipment, structures, and other stationary items that are located on a single site or on contiguous or adjacent sites and are owned or operated by the same person, or by a person who controls, is controlled by, or is under common control with the person.

Subd. 7. [PERSON.] "Person" means any individual, partnership, association, public or private corporation or other entity including the United States government, any interstate body, the state and any agency, department or political subdivision of the state.

Subd. 8. [POLLUTION PREVENTION OR PREVENT POLLUTION.] "Pollution prevention" or "prevent pollution" means eliminating or reducing at the source the use, generation, or release of toxic pollutants, hazardous substances, and hazardous wastes.

Subd. 9. [REDUCE, REDUCING, OR REDUCTION.] "Reduce," "reducing," or "reduction" means lessening the quantity or toxicity of toxic pollutants, hazardous substances, and hazardous wastes used, generated, or released at the source. Methods of reducing pollution include, but are not limited to, process modification, inventory control measures, feedstock substitutions, various housekeeping and management practices, and improved efficiency of machinery. Decreases in quantity or toxicity are not reductions where the decrease is solely the result of a decrease in the output of the facility.

Subd. 10. [RELEASE.] "Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment which occurred at a point in time or which continues to occur.

"Release" does not include:

(a) Emissions from the engine exhaust of a motor vehicle, rolling stock, aircraft, watercraft, or pipeline pumping station engine;

(b) Release of source, by-product, or special nuclear material from a nuclear incident, as those terms are defined in the Atomic Energy Act of 1954, under United States Code, title 42, section 2014, if the release is subject to requirements with respect to financial protection established by the federal Nuclear Regulatory Commission under United States Code, title 42, section 2210;

(c) Release of source, by-product or special nuclear material from any processing site designated pursuant to the Uranium Mill Tailings Radiation Control Act of 1978, under United States Code, title 42, section 7912(a)(1) or 7942(a); or

(d) Any release resulting from the application of fertilizer or agricultural or silvicultural chemicals, or disposal of emptied pesticide containers or residues from a pesticide as defined in section 18B.01, subdivision 18.

Subd. 11. [TOXIC POLLUTANT.] "Toxic pollutant" means a chemical identified in United States Code, title 42, section 11023(c).

Sec. 4. [115D.04] [POLLUTION PREVENTION ASSISTANCE PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] The director shall establish a pollution prevention assistance program to assist eligible recipients in preventing pollution. The program must emphasize techniques and processes that minimize the transfer of pollutants from one environmental medium to another and focus primarily on toxic pollutants.

Subd. 2. [ASSISTANCE.] The pollution prevention assistance program must include at least the following:

(1) a program to assemble, catalog, and disseminate information on pollution prevention;

(2) a program to provide technical research and assistance, including on-site consultations, to identify alternative methods that may be applied to prevent pollution and assistance for planning under section 7, but excluding design engineering services; and

(3) outreach programs including seminars, workshops, training programs, and other similar activities designed to provide pollution prevention information and assistance to eligible recipients.

Subd. 3. [ADMINISTRATION.] (a) The pollution prevention assistance program must be coordinated with other public and private programs that provide management and technical assistance to eligible recipients.

(b) The director may make grants to public or private entities to operate elements of the program. Grantees must provide periodic reports on their efforts to assist eligible recipients to reduce pollution.

Sec. 5. [115D.05] [POLLUTION PREVENTION GRANTS.]

Subdivision 1. [PURPOSE.] The director may make grants to study or demonstrate the feasibility of applying specific technologies and methods to prevent pollution.

Subd. 2. [ELIGIBILITY.] (a) Eligible recipients may receive grants under this section.

(b) Grants may be awarded up to a maximum of two-thirds of the total cost of the project. Grant money awarded under this section may not be spent for capital improvements.

Subd. 3. [PROCEDURE FOR AWARDING GRANTS.] (a) In determining whether to award a grant, the director must consider at least the following:

(1) the potential of the project to prevent pollution;

(2) the likelihood that the project will develop techniques or processes that will minimize the transfer of pollution from one environmental medium to another;

(3) the extent to which information to be developed through the project will be applicable to other persons in the state;

(4) the willingness of the grant applicant to implement feasible methods and technologies developed under the grant;

(5) the willingness of the grant applicant to assist the director in disseminating information about the pollution prevention methods to be developed through the project; and

(6) the extent to which the project will conform to the pollution prevention policy established in section 2.

(b) The director shall adopt rules to administer the grant program. Before adopting rules under this subdivision, the director may administer the program under the procedures in rules adopted under section 115A.154.

Sec. 6. [115D.06] [GOVERNOR'S AWARD FOR EXCELLENCE IN POLLUTION PREVENTION.]

The governor may issue annual awards in the form of a commendation for excellence in pollution prevention. A person must apply to the director to be considered for an award.

Sec. 7. [115D.07] [TOXIC POLLUTION PREVENTION PLANS.]

Subdivision 1. [REQUIREMENT TO PREPARE AND MAINTAIN A PLAN.] (a) Persons who operate a facility required by United States Code, title 42, section 11023, to submit a toxic chemical release form must prepare a toxic pollution prevention plan for that facility. The plan must contain the information listed in subdivision 2.

(b) Except for facilities that release less than a total of 10,000 pounds of toxic pollutants annually, the plan must be completed as follows:

(1) on or before July 1, 1991, for facilities having a two-digit standard industrial classification of 35 to 39;

(2) by January 1, 1992, for facilities having a two-digit standard industrial classification of 28 to 34; and

(3) by July 1, 1992, for all other persons required to prepare a plan under this subdivision.

(c) Facilities that release less than a total of 10,000 pounds of toxic pollutants annually must complete their plans by July 1, 1992.

(d) Each plan must be updated every two years and must be maintained at the facility to which it pertains.

Subd. 2. [CONTENTS OF PLAN.] Each toxic pollution prevention plan must establish a program identifying the specific technically and economically practicable steps that could be taken during at least the three years following the date the plan is due, to eliminate or reduce the generation or release of toxic pollutants reported by the facility. Toxic pollutants resulting solely from research and development activities need not be included in the plan. Each plan must include:

(1) a policy statement articulating upper management support for eliminating or reducing the generation or release of toxic pollutants at the facility;

(2) a description of the current processes generating or releasing toxic pollutants, which must be specific as to types, sources, and quantities of toxic pollutants currently being generated or released by the facility;

(3) a description of the current and past practices used to eliminate or reduce the generation or release of toxic pollutants at the facility and an evaluation of the effectiveness of these practices;

(4) an assessment of technically and economically practicable options available to eliminate or reduce the generation or release of toxic pollutants at the facility, including options of changing the raw materials, operating techniques, equipment and technology, personnel training, and other practices used at the facility, and may include a cost-benefit analysis of the available options;

(5) a statement of objectives based on the assessment in clause (4), including a schedule for achieving these objectives, in which (i) wherever technically and economically practicable, the objectives for eliminating or reducing the generation or release of each toxic pollutant at the facility shall be expressed in numeric terms; and (ii) if the establishment of numeric objectives is not practicable, the objectives shall include a clearly stated list of actions designed to lead to the establishment of numeric objectives as soon as is practicable;

(6) an explanation of the rationale for each objective established for the facility;

(7) a listing of options that were considered not to be economically and technically practicable; and

(8) a certification, signed and dated by the facility manager and an officer of the company under penalty of section 6J9.63, attesting to the accuracy of the information in the plan.

Sec. 8. [115D.08] [PROGRESS REPORTS.]

Subdivision 1. [REQUIREMENT TO SUBMIT PROGRESS REPORT.] Persons required to prepare a toxic pollution prevention plan under section 7 must submit an annual progress report to the commissioner. Progress reports are due on October 1 of each year. The first progress reports are due in 1992. Progress reports may be drafted in a manner that does not disclose proprietary information. At a minimum, each progress report must include:

(1) a summary of each objective established in the plan including the schedule for meeting these objectives;

(2) a summary of progress made during the past year, if any, toward meeting each objective established in the plan including the quantity of toxic pollutants eliminated or reduced;

(3) a statement of the methods through which elimination or reduction has been achieved;

(4) if necessary, an explanation of the reasons objectives were not achieved during the previous year, including an identification of any technological, economic, or other impediments the facility faced in its efforts to achieve its objectives; and

(5) a certification, signed and dated by the facility manager and an officer of the company under penalty of section 609.63, attesting that a plan meeting the requirements of section 7 has been prepared and also attesting to the accuracy of the information in the progress report.

Subd. 2. [REVIEW OF PROGRESS REPORTS.] (a) The commissioner

shall review the progress reports to determine if they meet the requirements of subdivision 1. If the commissioner determines that a progress report does not meet the requirements, the commissioner shall notify the facility in writing, identifying specific deficiencies and specifying a reasonable time frame, of not less than 90 days, for the facility to modify the progress report.

(b) The commissioner shall be given access to a facility plan required under section 7 if the commissioner determines that the progress report for that facility does not meet the requirements of subdivision 1. Twenty-five or more persons living within ten miles of the facility may submit to the commissioner a petition that requests commissioner review of the plan and identifies specific deficiencies in the progress report. Within 30 days after receiving the petition, the commissioner shall provide a written response. If, in the response, the commissioner agrees that the progress report does not meet the requirements of subdivision 1, the commissioner shall be given access to the facility plan required under section 7.

(c) After reviewing the plan and the progress report with any modifications submitted, the commissioner shall state in writing whether the progress report meets the requirements of subdivision 1. If the commissioner determines that a modified progress report still does not meet the requirements of subdivision 1, the commissioner shall schedule a public meeting. The meeting shall be held in the county where the facility is located. The meeting is not subject to the requirements of chapter 14.

(d) The facility shall be given the opportunity to amend the progress report within a period of not less than 30 days after the public meeting.

(e) If the commissioner determines that a modified progress report still does not meet the requirements of subdivision 1, action may be taken under section 115.071 to obtain compliance with sections 1 to 12.

Sec. 9. [115D.09] [CONFIDENTIALITY.]

Information and techniques developed under section 4, the reduction information and techniques under section 5, and the progress reports required under section 8 are public data under chapter 13. The plans required under section 7 are nonpublic data under chapter 13.

Sec. 10. [115D.10] [TOXIC POLLUTION PREVENTION EVALUATION REPORT.]

The director, in cooperation with the commissioner and commission, shall report to the environment and natural resources committees of the legislature annually on progress being made in achieving the objectives of sections 1 to 12. The report must be submitted by December 15 of each year, beginning in 1992.

Sec. 11. [115D.11] [TOXIC POLLUTION PREVENTION ADVISORY COUNCIL.]

Subdivision 1. [ESTABLISHMENT.] The director shall appoint members to a toxic pollution prevention advisory council. The council shall act in an advisory capacity to the director and the commissioner on matters related to sections 1 to 12.

Subd. 2. [MEMBERSHIP.] (a) The council membership shall represent each of the following groups equally: (1) industry; (2) citizens; and (3) government representatives involved in pollution prevention activities.

(b) *The council shall have at least 12 but not more than 18 members and shall include representatives of labor, the commission, and a publicly-owned treatment works.*

(c) *Members of the council shall serve without compensation but shall be reimbursed for their reasonable expenses as determined by the director.*

(d) *Council members shall be appointed for two-year terms.*

(e) *Council members may be removed as provided in section 15.059, subdivision 4.*

Sec. 12. [115D.12] [POLLUTION PREVENTION ACCOUNT.]

Subdivision 1. [REVENUE SOURCES.] Revenue from the following sources must be deposited in the environmental fund and credited to a pollution prevention account:

(1) *the proceeds of the fees imposed by subdivision 2;*

(2) *interest attributable to investment of money in the pollution prevention account; and*

(3) *money received by the director in the form of gifts, grants other than federal grants, reimbursements, and appropriations from any source intended to be used for the purposes of the pollution prevention account.*

Subd. 2. [FEES.] The following pollution prevention fees are established:

(a) *Persons required by United States Code, title 42, section 11023, to submit a toxic chemical release form to the commission must pay pollution prevention fees of \$150 for each toxic pollutant reported released and a graduated fee, based on the total pounds of toxic pollutants reported released per facility, of:*

1) less than 1,000 pounds	\$ 250;
2) 1,000 but less than 10,000 pounds	\$ 500;
3) 10,000 but less than 50,000 pounds	\$ 1,000;
4) 50,000 but less than 100,000 pounds	\$ 2,500;
5) 100,000 but less than 500,000 pounds	\$ 5,000;
6) 500,000 but less than 1,000,000 pounds	\$ 8,000;
7) 1,000,000 or more pounds	\$12,000 plus \$1,000 for each additional 1,000,000 pounds over 1,000,000 pounds

(b) *Persons who generate more than 1,000 kilograms of hazardous waste per month but who are not subject to the fee under paragraph (a) must pay pollution prevention fees of \$2,000 per facility. Hazardous waste as used in this paragraph has the meaning given it in section 116.06, subdivision 13, and Minnesota Rules, chapter 7045.*

(c) *Fees required under this subdivision must be paid to the director by October 1 of each year.*

Sec. 13. [REPORTS TO THE LEGISLATURE.]

Subdivision 1. [REPORT ON BARRIERS TO POLLUTION PREVENTION.] By January 1, 1991, the director shall prepare and submit a report to the environment and natural resources committees of the legislature analyzing the barriers to pollution prevention. At a minimum, the director

shall report on regulatory, economic, educational, and institutional barriers and shall recommend strategies to overcome these barriers. Further, the report shall describe ways in which government may serve as a role model in pollution prevention. In preparing the report required by this subdivision, the director shall seek the assistance of the toxic pollution prevention advisory council established in section 11.

Subd. 2. [REPORT ON TOXIC POLLUTANTS USE REPORTING.] By January 1, 1993, the director shall prepare and submit a report to the environment and natural resources committees of the legislature evaluating the utility of requiring companies to prepare toxic pollutant use reports and reduction plans. The report shall discuss, among other information, the potential uses of the data and the potential impact of such requirements on pollution prevention efforts. The report also shall discuss the need for a chemical accident prevention program to promote safety initiatives by industry. The report shall contain a recommendation as to whether to require toxic pollutant use reports and reduction plans. In preparing the report required by this subdivision, the director shall seek the assistance of the toxic pollution prevention advisory council established in section 11.

Sec. 14. [APPROPRIATIONS.]

Subdivision 1. [OFFICE OF WASTE MANAGEMENT.] \$ is appropriated from the pollution prevention account to the office of waste management to be available for the biennium ending June 30, 1991:

- (a) For pollution prevention assistance to eligible recipients \$
- (b) For pollution prevention grants \$
- (c) For reports to the legislature and administration of sections 1 to 12 \$

The approved complement of the office is increased by positions.

Subd. 2. [POLLUTION CONTROL AGENCY.] \$ is appropriated from the pollution prevention account to the pollution control agency to be available for the biennium ending June 30, 1991, for the purposes specified in sections 1 to 12.

The approved complement of the agency is increased by positions.

Subd. 3. [DEPARTMENT OF PUBLIC SAFETY.] \$ is appropriated from the pollution prevention account to the department of public safety to be available for the biennium ending June 30, 1991, to ensure timely and accurate submittal of the toxic chemical release forms and annual progress reports in sections 1 to 12.

The approved complement of the department of public safety is increased by positions.

Sec. 15. [EFFECTIVE DATE.]

Sections 1 to 14 are effective the day following final enactment.”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1843: A bill for an act relating to crimes; permitting individuals to request that the department of public safety not release the individual's residential address to the public; permitting individuals to designate a mailing address for purposes of the department's public records; increasing penalties for certain acts of harassment; authorizing courts to issue orders to restrain acts of harassment; amending Minnesota Statutes 1988, section 171.12, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 168 and 609.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete sections 1 and 2 and insert:

"Section 1. [168.346] [PRIVACY OF RESIDENCE ADDRESS.]

The registered owner of a motor vehicle may request in writing that the owner's residence address be classified as private data on individuals, as defined in section 13.02, subdivision 12. The commissioner shall grant the classification upon receipt of a signed statement by the owner that the classification is required for the safety of the owner or the owner's family. The residence address and any information provided in the classification request are private data on individuals and may be provided to requesting law enforcement agencies.

Sec. 2. Minnesota Statutes 1988, section 171.12 is amended by adding a subdivision to read:

Subd. 7. [PRIVACY OF RESIDENCE ADDRESS.] An applicant for a driver's license or a Minnesota identification card may request in writing that the applicant's residence address be classified as private data on individuals, as defined in section 13.02, subdivision 12. The commissioner shall grant the classification upon receipt of a signed statement by the individual that the classification is required for the safety of the applicant or the applicant's family. The residence address and any information provided in the classification request are private data on individuals and may be provided to requesting law enforcement agencies."

Page 2, line 36, delete "victim" and insert "individual"

Page 3, line 21, delete "comfort,"

Page 3, line 22, delete the first comma and insert "or" and delete ", or privacy"

Page 3, delete lines 24 to 28

Page 4, after line 3, insert:

"The petition shall be accompanied by an affidavit made under oath stating the specific facts and circumstances from which relief is sought."

Page 4, line 27, before "The" insert "(a)"

Page 4, line 35, before the semicolon, insert ", or service has been made by publication under paragraph (b)"

Page 5, after line 5, insert:

"(b) The order may be served on the respondent by means of a one-week published notice under section 645.11, if:

(1) the petitioner files an affidavit with the court stating that an attempt at personal service made by a sheriff was unsuccessful because the respondent is avoiding service by concealment or otherwise; and

(2) a copy of the order is mailed to the respondent at the respondent's residence or the respondent is not known to the petitioner.

Service under this paragraph is complete seven days after publication."

Page 5, after line 13, insert:

"Subd. 7. [COPY TO LAW ENFORCEMENT AGENCY.] An order for protection granted under this section shall be forwarded by the court administrator within 24 hours to the local law enforcement agency with jurisdiction over the residence of the applicant.

Each appropriate law enforcement agency shall make available to other law enforcement officers through a system for verification, information as to the existence and status of any order for protection issued under this section.

Subd. 8. [NOTICE.] An order granted under this section must contain a conspicuous notice to the respondent:

(1) of the specific conduct that will constitute a violation of the order;

(2) that violation of an order is a misdemeanor punishable by imprisonment for up to 90 days or a fine of up to \$700 or both; and

(3) that a peace officer must arrest without warrant and take into custody a person if the peace officer has probable cause to believe the person has violated a restraining order."

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 3 to 6 and insert "that the commissioner of public safety hold certain information on the individual as private;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2149: A bill for an act relating to occupations and professions; prohibiting certain acts by protective agents and security guards during a labor dispute; amending Minnesota Statutes 1988, section 326.3384, by adding a subdivision; and amending Minnesota Statutes 1989 Supplement, section 326.3384, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, after "DISPUTES" insert ", STRIKES, AND LOCKOUTS"

Page 1, line 14, before the period, insert "who is primarily performing the duties of a security guard"

Page 1, line 17, after the first comma, insert "strike, or lockout"

Page 1, delete lines 18 to 20 and insert "subdivisions 7, 8, and 9:"

(1) inciting, encouraging, or aiding in the incitement or encouragement of any participant to do unlawful acts against the person or property of anyone;”

Page 1, line 21, after “when” insert “neither” and after “person” insert “nor the photographer” and delete “not”

Page 1, line 22, after “protected” insert “by the persons described in paragraph (a)”

Page 1, delete lines 23 to 25 and insert:

“(3) stopping or detaining any vehicle unless the vehicle is on premises being protected by the persons described in paragraph (a);”

Page 1, line 26, after the comma, insert “when neither the participant nor the person conducting the surveillance is on the premises being protected by the persons described in paragraph (a), or of”

Page 2, line 3, delete “section” and insert “sections” and delete “or” and insert “and”

Page 2, line 4, delete “and” and insert “that” and delete “effect” and insert “purpose”

Page 2, line 8, strike “license holder” and insert “person”

Page 2, line 9, strike “subdivision 1 or 1a” and insert “this section”

Page 2, line 11, after “if” insert “the license holder or”

Page 2, lines 12 and 15, delete “violates” and insert “is convicted of a violation of”

Page 2, delete section 3

Amend the title as follows:

Page 1, line 6, delete “amending”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2132: A bill for an act relating to crimes; making it a crime to obtain telecommunication services by fraud; requiring forfeiture of telecommunication devices used for fraudulent purposes; prescribing penalties; amending Minnesota Statutes 1988, section 609.89, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 609.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [237.73] [OBTAINING SERVICES BY FRAUD; INJUNCTION.]

Subdivision 1. [EQUITABLE RELIEF] Whenever it appears that a person is engaged in an act that constitutes or will constitute a violation of section 6, a representative of a telecommunications provider or a person harmed by an alleged violation of section 6 may begin a civil proceeding in a district court to enjoin the violation and may petition the court to

issue an order for the discontinuance of telephone service.

Subd. 2. [VENUE.] An action under this section must be brought in the county in which subject matter of the action, or some part of it, is located or found, and must be commenced by the filing of a complaint that must be verified by affidavit.

Subd. 3. [TEMPORARY RESTRAINING ORDER.] If it is shown to the satisfaction of the court, either by verified complaint or affidavit, that a person is engaged in an act that constitutes a violation of section 6, the court shall issue a temporary restraining order to abate and prevent the continuance or recurrence of the act. Notice of the complaint shall be given and a hearing on the issuance of a temporary restraining order shall be held under the rules of civil procedure. The court shall direct the county sheriff to seize and keep until further order of the court any device that is being used in violation of section 6. The temporary restraining order expires after ten days.

Subd. 4. [PERMANENT INJUNCTION.] The court may issue a permanent injunction to restrain, abate, or prevent the continuance or recurrence of the violation of section 6. The court may grant declaratory relief, mandatory orders, or any other relief it judges necessary to accomplish the purposes of the injunction. The court may keep jurisdiction of the case for the purpose of enforcing its orders.

Subd. 5. [DISCONTINUANCE OF TELEPHONE SERVICE.] If it is shown to the satisfaction of the court, by affidavit, that a person is engaged in an act that constitutes a violation of section 6, the court may issue an order that shall be promptly served upon the person in whose name the telecommunications device is listed, requiring the party, within a reasonable time to be fixed by the court but not exceeding 48 hours from the time of service of the petition on said party, to show cause before the judge why telephone service should not promptly be discontinued. At the hearing, the burden of proof is on the complainant.

Subd. 6. [DISCONNECT ORDER.] Upon a finding by the court that the telecommunications device is being used or has been used in violation of section 6, the court shall issue an order requiring the telephone company that is rendering service over the device to disconnect the service. Upon receipt of the order, that shall be served upon an officer of the telephone company by the sheriff of the county in which the telecommunications device is installed or by a duly authorized deputy, the telephone company shall proceed promptly to disconnect and remove the service and discontinue all telephone service until further order of the court.

Subd. 7. [NECESSARY PARTY.] The telecommunications provider or person who petitions the court for the removal of a telecommunications device under this section shall be a necessary party to a proceeding or action arising out of or under section 6.

Subd. 8. [IMMUNITY.] No telephone company is liable for any damages, penalty, or forfeiture, whether civil or criminal, for an act performed in compliance with an order issued by the court.

Sec. 2. Minnesota Statutes 1989 Supplement, section 609.531, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For the purpose of sections 609.531 to 609.5317, the following terms have the meanings given them.

(a) "Conveyance device" means a device used for transportation and includes, but is not limited to, a motor vehicle, trailer, snowmobile, airplane, and vessel and any equipment attached to it. The term "conveyance device" does not include property which is, in fact, itself stolen or taken in violation of the law.

(b) "Weapon used" means a weapon used in the furtherance of a crime and defined as a dangerous weapon under section 609.02, subdivision 6.

(c) "Property" means property as defined in section 609.52, subdivision 1, clause (1).

(d) "Contraband" means property which is illegal to possess under Minnesota law.

(e) "Appropriate agency" means the bureau of criminal apprehension, the Minnesota state patrol, a county sheriff's department, the suburban Hennepin regional park district park rangers, or a city or airport police department.

(f) "Designated offense" includes:

(1) For weapons used: any violation of this chapter;

(2) For all other purposes: a felony violation of, or a felony-level attempt or conspiracy to violate, section 609.185; 609.19; 609.195; 609.21; 609.221; 609.222; 609.223; 609.2231; 609.24; 609.245; 609.25; 609.255; 609.322; 609.342, subdivision 1, clauses (a) to (f); 609.343, subdivision 1, clauses (a) to (f); 609.344, subdivision 1, clauses (a) to (e), and (h) to (j); 609.345, subdivision 1, clauses (a) to (e), and (h) to (j); 609.42; 609.425; 609.466; 609.485; 609.487; 609.52; 609.525; 609.53; 609.54; 609.551; 609.561; 609.562; 609.563; 609.582; 609.59; 609.595; 609.631; 609.671, subdivisions 3, 4, and 5; 609.687; 609.821; 609.825; 609.86; 609.88; 609.89; section 1; 617.246; or a gross misdemeanor or felony violation of section 609.891.

(g) "Controlled substance" has the meaning given in section 152.01, subdivision 4.

Sec. 3. Minnesota Statutes 1988, section 609.87, subdivision 3, is amended to read:

Subd. 3. [COMPUTER.] "Computer" means an electronic device which performs logical, arithmetic and or memory functions by the manipulations of signals, including but not limited to electronic or magnetic impulses.

Sec. 4. Minnesota Statutes 1988, section 609.87, subdivision 5, is amended to read:

Subd. 5. [COMPUTER NETWORK.] "Computer network" means the interconnection of a communication system with a computer through a remote terminal, or with two or more interconnected computers or computer systems, and includes private and public telecommunications networks.

Sec. 5. [609.892] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] *The definitions in this section apply to sections 1 and 6 to 8.*

Subd. 2. [ACCESS DEVICE.] "Access device" means a card, plate, code, account number, or other means of account access that can be used, alone or in conjunction with another access device, to obtain telecommunications

service.

Subd. 3. [CREDIT CARD NUMBER.] "Credit card number" means the card number appearing on a credit card that is an identification card or plate issued to a person by a supplier of telecommunications service that permits the person to whom the card has been issued to obtain telecommunications service on credit. The term includes the number or description of the card or plate even if the card or plate itself is not produced when obtaining telecommunications service.

Subd. 4. [TELECOMMUNICATIONS DEVICE.] "Telecommunications device" means an instrument, apparatus, equipment mechanism, operating procedure, or code designed or adapted for a particular use and that is intended or can be used in violation of section 6. The term includes but is not limited to computer hardware, software, programs, electronic mail system, voice mail system, identification validation system, private branch exchange, or any other means of facilitating telecommunications service.

Subd. 5. [TELECOMMUNICATIONS PROVIDER.] "Telecommunications provider" means a person, firm, association, or a corporation, private or municipal, owning, operating, or managing facilities used to provide telecommunications service.

Subd. 6. [TELECOMMUNICATIONS SERVICE.] "Telecommunications service" means a service that, in exchange for a pecuniary consideration, provides or offers to provide transmission of messages, signals, facsimiles, or other communication between persons who are physically separated from each other by telephone, telegraph, cable, wire, fiber optic cable, or the projection of energy without physical connection. This term applies when the telecommunications service originates or ends or both originates and ends in this state.

Subd. 7. [TELEPHONE COMPANY.] "Telephone company" means a telecommunications provider that provides local exchange telecommunications service.

Sec. 6. [609.893] [TELECOMMUNICATIONS AND INFORMATION SERVICES FRAUD; CRIME DEFINED.]

Subdivision 1. [OBTAINING SERVICES BY FRAUD.] A person commits telecommunications and information services fraud and may be sentenced as provided in subdivision 3 if the person, with intent to evade a lawful charge, obtains telecommunications service for the person's own use by any fraudulent means.

Subd. 2. [FACILITATION OF TELECOMMUNICATIONS FRAUD.] A person commits a felony and may be sentenced as provided in subdivision 4 who:

(1) makes available to another, or offers or advertises to make available, a telecommunications device or information in order to facilitate violation of subdivision 1 by another; or

(2) makes, assembles, or possesses a telecommunications device that is designed or adapted to violate subdivision 1 or to conceal from a provider of telecommunications service or from a lawful authority, the existence or place of origin or destination of telecommunications service.

Subd. 3. [FRAUD.] (a) Whoever commits telecommunications and information services fraud in violation of subdivision 1 may be sentenced as

follows:

(1) to imprisonment for not more than ten years or to payment of a fine of not more than \$20,000, or both, if the value of the services is in excess of \$2,500;

(2) to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both, if the value of the services is more than \$500 but not more than \$2,500; or

(3) in all other cases, to imprisonment for not more than 90 days or to payment of a fine of not more than \$700, or both.

(b) Amounts involved in a violation of paragraph (a) under one scheme or course of conduct, whether from the same credit card number or several credit card numbers, may be aggregated in determining the classification of the offense.

Subd. 4. [FACILITATION OF FRAUD.] Whoever violates subdivision 2 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. 7. [REPEALER.]

Minnesota Statutes 1988, section 609.785, is repealed.

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 7 are effective August 1, 1990, and apply to crimes committed on or after that date."

Delete the title and insert:

"A bill for an act relating to crimes; making it a crime to obtain telecommunication services by fraud; requiring forfeiture of telecommunication devices used for fraudulent purposes; prescribing penalties; amending Minnesota Statutes 1988, section 609.87, subdivisions 3 and 5; Minnesota Statutes 1989 Supplement, section 609.531, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 237 and 609; repealing Minnesota Statutes 1988, section 609.785."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was referred

H.F. No. 2609: A bill for an act relating to capital improvements; providing for emergency capital expenses at Inver Hills Community College; authorizing sale of state bonds; appropriating money.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1730 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1730	1795				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1730 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1730 and insert the language after the enacting clause of S.F. No. 1795, the first engrossment; further, delete the title of H.F. No. 1730 and insert the title of S.F. No. 1795, the first engrossment.

And when so amended H.F. No. 1730 will be identical to S.F. No. 1795, and further recommends that H.F. No. 1730 be given its second reading and substituted for S.F. No. 1795, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1846 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1846	1977				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1846 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1846 and insert the language after the enacting clause of S.F. No. 1977, the first engrossment; further, delete the title of H.F. No. 1846 and insert the title of S.F. No. 1977, the first engrossment.

And when so amended H.F. No. 1846 will be identical to S.F. No. 1977, and further recommends that H.F. No. 1846 be given its second reading and substituted for S.F. No. 1977, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1883 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1883	1826				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1883 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1883 and insert the language after the enacting clause of S.F. No. 1826, the first engrossment; further, delete the title of H.F. No. 1883 and insert the title of S.F. No. 1826, the first engrossment.

And when so amended H.F. No. 1883 will be identical to S.F. No. 1826, and further recommends that H.F. No. 1883 be given its second reading and substituted for S.F. No. 1826, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2594 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2594	2391				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2103 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2103	2105				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2103 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2103 and insert the language after the enacting clause of S.F. No. 2105, the first engrossment; further, delete the title of H.F. No. 2103 and insert the title of S.F. No. 2105, the first engrossment.

And when so amended H.F. No. 2103 will be identical to S.F. No. 2105,

and further recommends that H.F. No. 2103 be given its second reading and substituted for S.F. No. 2105, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2305 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2305	2477				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2305 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2305 and insert the language after the enacting clause of S.F. No. 2477, the first engrossment; further, delete the title of H.F. No. 2305 and insert the title of S.F. No. 2477, the first engrossment.

And when so amended H.F. No. 2305 will be identical to S.F. No. 2477, and further recommends that H.F. No. 2305 be given its second reading and substituted for S.F. No. 2477, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 2223, 2037, 1982, 1874, 1843, 2149 and 2132 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 2609, 1730, 1846, 1883, 2594, 2103 and 2305 were read the second time.

MOTIONS AND RESOLUTIONS

SUSPENSION OF RULES

Mr. Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 2609 and that the rules of the Senate be so far suspended as to give H.F. No. 2609, now on General Orders, its third reading and place it on its final passage. The motion prevailed.

H.F. No. 2609: A bill for an act relating to capital improvements; providing for emergency capital expenses at Inver Hills Community College; authorizing sale of state bonds; appropriating money.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Merriam	Ramstad
Anderson	Davis	Knaak	Metzen	Reichgott
Beckman	Decker	Knutson	Moe, R. D.	Renneke
Benson	Diessner	Laidig	Morse	Samuelson
Berg	Flynn	Langseth	Novak	Schmitz
Berglin	Frank	Lantry	Olson	Solon
Bernhagen	Frederick	Larson	Pariseau	Spear
Bertram	Frederickson, D.J.	Lessard	Pehler	Storm
Brandl	Frederickson, D.R.	Marty	Peterson, R. W.	Stumpf
Brataas	Freeman	McGowan	Piepho	Vickerman
Chmielewski	Gustafson	McQuaid	Piper	Waldorf
Cohen	Hughes	Mehrkens	Pogemiller	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Morse moved that S.F. No. 2037, on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D. moved that the Senate take up the Calendar and that the rules of the Senate be so far suspended as to waive the lie-over requirement. The motion prevailed.

CALENDAR

H.F. No. 2204: A bill for an act relating to insurance; clarifying an insurer's duty to provide loss or claims experience data to an insured; regulating insurance fair information reporting; amending Minnesota Statutes 1989 Supplement, sections 72A.20, subdivision 26; 72A.501, subdivision 1; and 72A.502, subdivision 9, and by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davis	Johnson, D.J.	Merriam	Pogemiller
Beckman	Dicklich	Knaak	Metzen	Ramstad
Benson	Diessner	Knutson	Moe, D.M.	Reichgott
Berg	Flynn	Laidig	Moe, R. D.	Renneke
Berglin	Frank	Langseth	Morse	Samuelson
Bernhagen	Frederick	Lantry	Novak	Schmitz
Bertram	Frederickson, D.J.	Larson	Olson	Solon
Brandl	Frederickson, D.R.	Lessard	Pariseau	Spear
Brataas	Freeman	Marty	Pehler	Storm
Chmielewski	Gustafson	McGowan	Peterson, R. W.	Stumpf
Cohen	Hughes	McQuaid	Piepho	Vickerman
Dahl	Johnson, D.E.	Mehrkens	Piper	Waldorf

So the bill passed and its title was agreed to.

H.F. No. 2242: A bill for an act relating to insurance; no-fault auto; exempting certain antique automobiles and recreational vehicles from rental vehicle coverage; amending Minnesota Statutes 1989 Supplement, section 65A.49, subdivision 5a.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	Dicklich	Knutson	Moe, D.M.	Renneke
Benson	Diessner	Kroening	Moe, R.D.	Samuelson
Berg	Flynn	Laidig	Morse	Schmitz
Berglin	Frank	Langseth	Novak	Solon
Bernhagen	Frederick	Lantry	Olson	Spear
Bertram	Frederickson, D.J.	Larson	Pariseau	Storm
Brandl	Frederickson, D.R.	Lessard	Pehler	Stumpf
Brataas	Freeman	Marty	Peterson, R.W.	Vickerman
Chmielewski	Gustafson	McGowan	Piepho	Waldorf
Cohen	Hughes	McQuaid	Piper	
Dahl	Johnson, D.E.	Mehrkens	Pogemiller	

So the bill passed and its title was agreed to.

H.F. No. 1067: A bill for an act relating to education; requiring students on all HECB advisory groups; amending Minnesota Statutes 1988, section 136A.02, by adding a subdivision; Minnesota Statutes 1989 Supplement, section 136A.02, subdivision 7.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Knaak	Metzen	Reichgott
Anderson	Dicklich	Knutson	Moe, D.M.	Renneke
Beckman	Diessner	Kroening	Moe, R.D.	Samuelson
Benson	Flynn	Laidig	Morse	Schmitz
Berg	Frank	Langseth	Novak	Solon
Berglin	Frederick	Lantry	Olson	Spear
Bernhagen	Frederickson, D.J.	Larson	Pariseau	Storm
Bertram	Frederickson, D.R.	Lessard	Pehler	Stumpf
Brataas	Freeman	Marty	Peterson, R.W.	Vickerman
Chmielewski	Gustafson	McGowan	Piepho	Waldorf
Cohen	Hughes	McQuaid	Piper	
Dahl	Johnson, D.E.	Mehrkens	Pogemiller	
Davis	Johnson, D.J.	Merriam	Ramstad	

Mr. Brandl voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 2135: A bill for an act relating to Anoka county; authorizing the sale or exchange of certain land.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	Dicklich	Knutson	Moe, D.M.	Renneke
Benson	Diessner	Kroening	Moe, R.D.	Samuelson
Berg	Flynn	Laidig	Morse	Schmitz
Berglin	Frank	Langseth	Novak	Solon
Bernhagen	Frederick	Lantry	Olson	Spear
Bertram	Frederickson, D.J.	Larson	Pariseau	Storm
Brandl	Frederickson, D.R.	Lessard	Pehler	Stumpf
Brataas	Freeman	Marty	Peterson, R.W.	Vickerman
Chmielewski	Gustafson	McGowan	Piepho	Waldorf
Cohen	Hughes	McQuaid	Piper	
Dahl	Johnson, D.E.	Mehrkens	Pogemiller	

So the bill passed and its title was agreed to.

S.F. No. 1869: A bill for an act relating to labor; requiring employers to prepare and implement a written program that describes how they will reduce the extent and severity of work-related injuries and illnesses; providing for safety awards by the commissioner of labor and industry; amending Minnesota Statutes 1988, section 182.653, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 182.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Metzen	Reichgott
Anderson	Decker	Knaak	Moe, D.M.	Renneke
Beckman	Dicklich	Knutson	Moe, R.D.	Samuelson
Benson	Diessner	Kroening	Morse	Schmitz
Berg	Flynn	Laidig	Novak	Solon
Berglin	Frank	Langseth	Olson	Spear
Bernhagen	Frederick	Lantry	Pariseau	Storm
Bertram	Frederickson, D.J.	Larson	Pehler	Stumpf
Brandl	Frederickson, D.R.	Lessard	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Ramstad	

So the bill passed and its title was agreed to.

S.F. No. 1675: A bill for an act relating to game and fish; authorizing the Leech Lake Band of Chippewa Indians to conduct certain types of aquaculture; directing promotion of and commercial licenses to take rough fish from Lake of the Woods; removing certain aquaculture restrictions in private waters if public waters or groundwater is not degraded or public health is not affected; authorizing transportation of minnows by common carrier; providing restrictions for taking crayfish; amending Minnesota Statutes 1988, sections 97A.155, by adding a subdivision; 97A.401, by adding a subdivision; 97C.501, subdivision 1; and 97C.525, by adding a subdivision; Minnesota Statutes 1989 Supplement, section 17.49, subdivision 2, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 17 and 97C.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 3, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Mehrkens	Ramstad
Anderson	Davis	Knaak	Merriam	Reichgott
Beckman	Decker	Knutson	Metzen	Renneke
Benson	Diessner	Kroening	Moe, D.M.	Samuelson
Berg	Flynn	Laidig	Moe, R.D.	Schmitz
Berglin	Frank	Langseth	Novak	Solon
Bernhagen	Frederick	Lantry	Olson	Spear
Bertram	Frederickson, D.J.	Larson	Pariseau	Storm
Brandl	Frederickson, D.R.	Lessard	Pehler	Stumpf
Brataas	Freeman	Marty	Peterson, R.W.	Vickerman
Chmielewski	Gustafson	McGowan	Piepho	Waldorf
Cohen	Hughes	McQuaid	Pogemiller	

Messrs. Dicklich; Johnson, D.J. and Morse voted in the negative.

So the bill passed and its title was agreed to.

S.F No. 1703: A bill for an act relating to natural resources; authorizing the enforcement of certain natural resource laws by conservation officers; amending Minnesota Statutes 1988, section 97A.205.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	Dicklich	Knutson	Moe, D.M.	Renneke
Benson	Diessner	Kroening	Moe, R.D.	Samuelson
Berg	Flynn	Laidig	Morse	Schmitz
Berglin	Frank	Langseth	Novak	Solon
Bernhagen	Frederick	Lantry	Olson	Spear
Bertram	Frederickson, D.J.	Larson	Pariseau	Storm
Brandl	Frederickson, D.R.	Lessard	Pehler	Stumpf
Brataas	Freeman	Marty	Peterson, R.W.	Vickerman
Chmielewski	Gustafson	McGowan	Piepho	Waldorf
Cohen	Hughes	McQuaid	Piper	
Dahl	Johnson, D.E.	Mehrkens	Pogemiller	

So the bill passed and its title was agreed to.

S.F No. 2063: A bill for an act relating to health; requiring an environmental impact statement for burning of PCBs; authorizing counties to be compensated for human health risks; requiring permits and local approval before burning PCBs; amending Minnesota Statutes 1988, section 116.36, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 116.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 47 and nays 13, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Metzen	Renneke
Anderson	Diessner	Knutson	Moe, D.M.	Samuelson
Beckman	Flynn	Laidig	Moe, R. D.	Schmitz
Benson	Frederick	Langseth	Olson	Solon
Berglin	Frederickson, D.I.	Lantry	Pariseau	Storm
Bernhagen	Frederickson, D.R.	Larson	Peterson, R. W.	Stumpf
Bertram	Freeman	Lessard	Piepho	Vickerman
Brataas	Hughes	McGowan	Piper	
Chmielewski	Johnson, D.E.	McQuaid	Ramstad	
Davis	Johnson, D.J.	Mehrkens	Reichgott	

Those who voted in the negative were:

Berg	Decker	Kroening	Novak	Waldorf
Brandl	Frank	Merriam	Pehler	
Cohen	Gustafson	Morse	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1976: A bill for an act relating to education; providing for certain notice and board membership requirements under certain joint powers arrangements; amending Minnesota Statutes 1988, section 124.494, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	Dicklich	Knutson	Moe, D.M.	Renneke
Benson	Diessner	Kroening	Moe, R. D.	Samuelson
Berg	Flynn	Laidig	Morse	Schmitz
Berglin	Frank	Langseth	Novak	Spear
Bernhagen	Frederick	Lantry	Olson	Storm
Bertram	Frederickson, D.J.	Larson	Pariseau	Stumpf
Brandl	Frederickson, D.R.	Lessard	Pehler	Vickerman
Brataas	Freeman	Marty	Peterson, R. W.	Waldorf
Chmielewski	Gustafson	McGowan	Piepho	
Cohen	Hughes	McQuaid	Piper	
Dahl	Johnson, D.E.	Mehrkens	Pogemiller	

So the bill passed and its title was agreed to.

S.F. No. 1975: A bill for an act relating to education; providing for the notice of and place for meeting of certain joint powers organizations; proposing coding for new law in Minnesota Statutes, chapter 124.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	Dicklich	Knutson	Moe, D.M.	Renneke
Benson	Diessner	Kroening	Moe, R.D.	Samuelson
Berg	Flynn	Laidig	Morse	Schmitz
Berglin	Frank	Langseth	Novak	Solon
Bernhagen	Frederick	Lantry	Olson	Spear
Bertram	Frederickson, D.J.	Larson	Pariseau	Storm
Brandl	Frederickson, D.R.	Lessard	Pehler	Stumpf
Brataas	Freeman	Marty	Peterson, R.W.	Vickerman
Chmielewski	Gustafson	McGowan	Piepho	Waldorf
Cohen	Hughes	McQuaid	Piper	
Dahl	Johnson, D.E.	Mehrkens	Pogemiller	

So the bill passed and its title was agreed to.

S.F. No. 1681: A bill for an act relating to occupations and professions; allowing a graduate social work license to be issued without examination to an applicant who was unable to apply before the transition period ended; amending Minnesota Statutes 1988, section 148B.23, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Metzen	Reichgott
Anderson	Decker	Knaak	Moe, D.M.	Renneke
Beckman	Dicklich	Knutson	Moe, R.D.	Samuelson
Benson	Diessner	Kroening	Morse	Schmitz
Berg	Flynn	Laidig	Novak	Solon
Berglin	Frank	Langseth	Olson	Spear
Bernhagen	Frederick	Lantry	Pariseau	Storm
Bertram	Frederickson, D.J.	Larson	Pehler	Stumpf
Brandl	Frederickson, D.R.	Lessard	Peterson, R.W.	Waldorf
Brataas	Freeman	Marty	Piepho	
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Ramstad	

So the bill passed and its title was agreed to.

S.F. No. 1499: A bill for an act relating to consumer protection; regulating certain rental-purchase agreements; prescribing the rights and duties of all parties; requiring disclosures; regulating advertising; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325F.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Moe, D.M.	Renneke
Anderson	Decker	Kroening	Moe, R.D.	Samuelson
Beckman	Dicklich	Laidig	Morse	Schmitz
Benson	Diessner	Langseth	Novak	Solon
Berg	Flynn	Lantry	Olson	Spear
Berglin	Frank	Larson	Pariseau	Storm
Bernhagen	Frederickson, D.J.	Lessard	Pehler	Stumpf
Bertram	Frederickson, D.R.	Marty	Peterson, R.W.	Vickerman
Brandl	Freeman	McGowan	Piepho	Waldorf
Brataas	Gustafson	McQuaid	Piper	
Chmielewski	Hughes	Mehrkens	Pogemiller	
Cohen	Johnson, D.E.	Merriam	Ramstad	
Dahl	Johnson, D.J.	Metzen	Reichgott	

So the bill passed and its title was agreed to.

H.F. No. 2508: A bill for an act relating to education; placing certain positions in special school district No. 1, Minneapolis, in the unclassified service; naming the appointing authority for the positions.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Metzen	Reichgott
Anderson	Decker	Knutson	Moe, D.M.	Renneke
Beckman	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederickson, D.J.	Larson	Pariseau	Storm
Bertram	Frederickson, D.R.	Lessard	Pehler	Stumpf
Brandl	Freeman	Marty	Peterson, R.W.	Vickerman
Brataas	Gustafson	McGowan	Piepho	Waldorf
Chmielewski	Hughes	McQuaid	Piper	
Cohen	Johnson, D.E.	Mehrkens	Pogemiller	
Dahl	Johnson, D.J.	Merriam	Ramstad	

So the bill passed and its title was agreed to.

S.F. No. 2541: A bill for an act relating to real property; providing for filing and recording of maps or plats for proposed rights-of-way by local governing bodies; proposing coding for new law in Minnesota Statutes, chapter 505.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Metzen	Reichgott
Anderson	Decker	Knaak	Moe, D.M.	Renneke
Beckman	Dicklich	Knutson	Moe, R.D.	Samuelson
Benson	Diessner	Kroening	Morse	Schmitz
Berg	Flynn	Laidig	Novak	Spear
Berglin	Frank	Langseth	Olson	Storm
Bernhagen	Frederick	Lantry	Pariseau	Stumpf
Bertram	Frederickson, D.J.	Larson	Pehler	Vickerman
Brandl	Frederickson, D.R.	Lessard	Peterson, R.W.	Waldorf
Brataas	Freeman	Marty	Piepho	
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Ramstad	

So the bill passed and its title was agreed to.

S.F. No. 1937: A bill for an act relating to health; establishing standards for safe levels of lead; requiring education about lead exposure; requiring lead assessments of certain residences; establishing standards for lead abatement; requiring rules; amending Minnesota Statutes 1988, section 116.52, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Minnesota Statutes 1989 Supplement, sections 144.851 to 144.862.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	Dicklich	Knutson	Moe, D.M.	Renneke
Benson	Diessner	Kroening	Moe, R.D.	Samuelson
Berg	Flynn	Laidig	Morse	Schmitz
Berglin	Frank	Langseth	Novak	Solon
Bernhagen	Frederick	Lantry	Olson	Spear
Bertram	Frederickson, D.J.	Larson	Pariseau	Storm
Brandl	Frederickson, D.R.	Lessard	Pehler	Stumpf
Brataas	Freeman	Marty	Peterson, R.W.	Vickerman
Chmielewski	Gustafson	McGowan	Piepho	Waldorf
Cohen	Hughes	McQuaid	Piper	
Dahl	Johnson, D.E.	Mehrkens	Pogemiller	

So the bill passed and its title was agreed to.

H.F No. 2149: A bill for an act relating to port authorities; expanding the range of titles for certain offices; amending Minnesota Statutes 1988, section 469.051, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 7, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Metzen	Samuelson
Anderson	Davis	Johnson, D.J.	Moe, D.M.	Schmitz
Beckman	Decker	Knaak	Moe, R.D.	Solon
Benson	Dicklich	Kroening	Morse	Spear
Berg	Diessner	Laidig	Novak	Storm
Berglin	Flynn	Langseth	Olson	Stumpf
Bernhagen	Frank	Lantry	Pariseau	Vickerman
Bertram	Frederickson, D.J.	Larson	Piepho	Waldorf
Brandl	Frederickson, D.R.	Lessard	Piper	
Brataas	Freeman	McGowan	Pogemiller	
Chmielewski	Gustafson	McQuaid	Ramstad	
Cohen	Hughes	Mehrkens	Renneke	

Those who voted in the negative were:

Frederick	Marty	Pehler	Peterson, R.W.	Reichgott
Knutson	Merriam			

So the bill passed and its title was agreed to.

S.F No. 2297: A bill for an act relating to taxation; property; requiring equal access to food or beverage services or facilities for golf clubs under open space property tax treatment; amending Minnesota Statutes 1989 Supplement, section 273.112, subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	Dicklich	Knutson	Moe, D.M.	Renneke
Benson	Diessner	Kroening	Moe, R.D.	Samuelson
Berg	Flynn	Laidig	Morse	Schmitz
Berglin	Frank	Langseth	Novak	Solon
Bernhagen	Frederick	Lantry	Olson	Spear
Bertram	Frederickson, D.J.	Larson	Pariseau	Storm
Brandl	Frederickson, D.R.	Lessard	Pehler	Stumpf
Brataas	Freeman	Marty	Peterson, R.W.	Vickerman
Chmielewski	Gustafson	McGowan	Piepho	Waldorf
Cohen	Hughes	McQuaid	Piper	
Dahl	Johnson, D.E.	Mehrkens	Pogemiller	

So the bill passed and its title was agreed to.

H.F No. 1989: A bill for an act relating to motor vehicles; allowing tax-exempt license plates for vehicles used for driver education programs at nonpublic high schools; amending Minnesota Statutes 1989 Supplement, section 168.012, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Metzen	Reichgott
Anderson	Decker	Knutson	Moe, D.M.	Renneke
Beckman	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Frank	Langseth	Novak	Solon
Berglin	Frederick	Lantry	Olson	Spear
Bernhagen	Frederickson, D.J.	Larson	Pariseau	Storm
Bertram	Frederickson, D.R.	Lessard	Pehler	Stumpf
Brandl	Freeman	Marty	Peterson, R.W.	Vickerman
Brataas	Gustafson	McGowan	Piepho	Waldorf
Chmielewski	Hughes	McQuaid	Piper	
Cohen	Johnson, D.E.	Mehrkens	Pogemiller	
Dahl	Johnson, D.J.	Merriam	Ramstad	

Ms. Flynn voted in the negative.

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F No. 2109 a Special Order to be heard immediately.

SPECIAL ORDER

S.F No. 2109: A bill for an act relating to insurance; regulating cancellations, reductions, and nonrenewals of commercial property and liability insurance; amending Minnesota Statutes 1988, section 60A.38, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Knaak	Metzen	Reichgott
Anderson	Dicklich	Knutson	Moe, D.M.	Renneke
Beckman	Diessner	Kroening	Moe, R.D.	Samuelson
Benson	Flynn	Laidig	Morse	Schmitz
Berglin	Frank	Langseth	Novak	Solon
Bernhagen	Frederick	Lantry	Olson	Spear
Bertram	Frederickson, D.J.	Larson	Pariseau	Storm
Brandl	Frederickson, D.R.	Lessard	Pehler	Stumpf
Brataas	Freeman	Marty	Peterson, R.W.	Vickerman
Chmielewski	Gustafson	McGowan	Piepho	Waldorf
Cohen	Hughes	McQuaid	Piper	
Dahl	Johnson, D.E.	Mehrrens	Pogemiller	
Davis	Johnson, D.J.	Merriam	Ramstad	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2412 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2412: A bill for an act relating to state government; requiring the state board of investment to invest certain assets currently managed by the commerce department; amending Minnesota Statutes 1988, section 79.251, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Mehrrens	Ramstad
Anderson	Decker	Knaak	Merriam	Reichgott
Beckman	Dicklich	Knutson	Metzen	Renneke
Benson	Diessner	Kroening	Moe, D.M.	Samuelson
Berg	Flynn	Laidig	Moe, R.D.	Schmitz
Berglin	Frank	Langseth	Morse	Solon
Bernhagen	Frederick	Lantry	Novak	Spear
Bertram	Frederickson, D.J.	Larson	Olson	Storm
Brandl	Frederickson, D.R.	Lessard	Pariseau	Stumpf
Brataas	Freeman	Luther	Pehler	Vickerman
Chmielewski	Gustafson	Marty	Piepho	Waldorf
Cohen	Hughes	McGowan	Piper	
Dahl	Johnson, D.E.	McQuaid	Pogemiller	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1743 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1743: A bill for an act relating to telephone service; requiring the expansion of the metropolitan extended area telephone service, under some circumstances; proposing coding for new law in Minnesota Statutes, chapter 237.

Mr. Waldorf moved to amend S.F. No. 1743 as follows:

Page 1, after line 6, insert:

“Section 1. [237.161] [EXTENDED AREA SERVICE.]

Subdivision 1. [CRITERIA.] (a) The commission shall grant a petition for installation of extended intrastate area service when:

(1) the exchange for which installation is proposed is contiguous to an exchange to which extended intra-LATA area service is requested;

(2) local measured service or another lower cost alternative to basic flat-rate service is available in the exchange for which installation is proposed;

(3) a majority of the customers in the exchange for which installation is proposed favor its installation; and

(4) at least 50 percent of the customers in the petitioning exchange make one or more calls a month to the exchange or wire center to which extended area service is requested, as determined by a traffic study.

(b) The commission may not grant a petition for installation of extended area service when the criteria in paragraph (a) have not been met.

Subd. 2. [COSTS.] Seventy percent of the cost of providing extended area service over the petitioned route must be apportioned to the petitioning exchange and the remaining 30 percent apportioned to the exchange or exchanges to which extended area service is requested. The cost must be apportioned among the customers in an exchange so that the relationship between the rates for classes of service remains the same. The cost to the petitioning exchange must be available to its customers before the commission determines whether a majority of them favor the installation of extended area service.

Subd. 3. [BASIS OF RATES.] For a proposal to install extended area service, proposed rates must be based on specific additional cost incurred, operating expenses, actual cost for new facilities constructed specifically to provide for extended area service, net book value of existing facilities transferred from another service to extended area service, a return on the capital investment associated with installing and providing the extended area service, and appropriate contributions to common overheads. In its order granting an extended area service petition, the commission shall establish rates that are income neutral and allow the telephone company providing local exchange service to the petitioning exchange and the telephone company providing local exchange service to the petitioned exchange to recover toll or access contribution lost as a result of the installation of extended area service. Rates within the existing metropolitan extended area telephone service may not be raised as a result of the addition of a local exchange or wire center under this section until the rate in the added exchange or wire center is at least equal to the tier four rate.”

Page 2, line 11, delete “1” and insert “2”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert “regulating the installation of extended area service in exchanges;”

The motion prevailed. So the amendment was adopted.

S.F. No. 1743 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.J.	Mehrkens	Ramstad
Anderson	Dicklich	Knaak	Metzen	Reichgott
Beckman	Diessner	Knutson	Moe, D.M.	Renneke
Benson	Flynn	Kroening	Moe, R.D.	Samuelson
Berg	Frank	Laidig	Morse	Schmitz
Berglin	Frederick	Lantry	Novak	Solon
Bernhagen	Frederickson, D.J.	Larson	Olson	Spear
Bertram	Frederickson, D.R.	Lessard	Pariseau	Storm
Chmielewski	Freeman	Luther	Pehler	Stumpf
Cohen	Gustafson	Marty	Piepho	Vickerman
Dahl	Hughes	McGowan	Piper	Waldorf
Davis	Johnson, D.E.	McQuaid	Pogemiller	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2108 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2108: A bill for an act relating to liquor; regulating the sale of liqueur-filled candy; authorizing municipalities to issue on-sale wine licenses to bed and breakfast facilities; authorizing removal of partially consumed wine bottles from licensed premises; authorizing additional licenses in the cities of Minneapolis, Brooklyn Center, and Duluth; authorizing the issuance of wine and nonintoxicating malt liquor licenses by the city of St. Paul to its parks and recreation division; authorizing the county board of Anoka county to delegate liquor licensing authority to town boards within the county; authorizing the county board of Itasca county to issue an off-sale or combination license within three miles of an incorporated area; providing for the reporting of wine licenses to the commissioner of public safety; extending hours of on-sale liquor sales; eliminating the requirement for a vote on municipal liquor store continuance upon population change; amending Minnesota Statutes 1988, sections 340A.101, subdivision 10; 340A.404, subdivisions 3, 5, and by adding a subdivision; 340A.504, subdivision 1; 340A.601, subdivision 2; Minnesota Statutes 1989 Supplement, sections 340A.404, subdivision 2; 340A.504, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 340A.

Mr. Solon moved to amend S.F. No. 2108 as follows:

Page 1, after line 28, insert:

“Section 1. Minnesota Statutes 1988, section 31.121, is amended to read:

31.121 [FOOD ADULTERATION.]

A food shall be deemed to be adulterated:

(a) If it bears or contains any poisonous or deleterious substance which may render it injurious to health; but in case the substance is not an added substance such food shall not be considered adulterated under this clause if the quantity of such substance in such food does not ordinarily render it injurious to health; or

(b) If it bears or contains any added poisonous or added deleterious substance, other than one which is a pesticide chemical in or on a raw agricultural commodity; a food additive; or a color additive, which is unsafe within the meaning of section 31.122; or

(c) If it is a raw agricultural commodity and it bears or contains a pesticide chemical which is unsafe within the meaning of section 31.122; or

(d) If it is or it bears or contains any food additive which is unsafe within the meaning of section 31.122; provided that where a pesticide chemical has been used in or on a raw agricultural commodity in conformity with an exemption granted or tolerance prescribed under section 31.122, and such raw agricultural commodity has been subjected to processing such as canning, cooking, freezing, dehydrating, or milling, the residue of such pesticide chemical remaining in or on such processed food shall, notwithstanding the provisions of section 31.122 and this clause, not be deemed unsafe if such residue in or on the raw agricultural commodity has been removed to the extent possible in good manufacturing practice, and the concentration of such residue in the processed food when ready to eat is not greater than the tolerance prescribed for the raw agricultural commodity; or

(e) If it consists in whole or in part of a diseased, contaminated, filthy, putrid, or decomposed substance, or if it is otherwise unfit for food; or

(f) If it has been produced, prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered diseased, unwholesome, or injurious to health; or

(g) If it is in whole or in part the product of a diseased animal or of an animal which has died otherwise than by slaughter, or of an animal that has been fed upon the uncooked offal from a slaughterhouse; or

(h) If its container is composed in whole or in part of any poisonous or deleterious substance which may render the contents injurious to health; or

(i) If it has been intentionally subjected to radiation, unless the use of the radiation was in conformity with a rule or exemption in effect pursuant to section 31.122 or section 409 of the federal act; or

(j) If any valuable constituent has been in whole or in part omitted or abstracted therefrom; or

(k) If any substance has been substituted wholly or in part therefor; or

(l) If damage or inferiority has been concealed in any manner; or

(m) If any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality or strength or make it appear better or of greater value than it is; or

(n) If it is confectionery, and (1) has partially or completely imbedded therein any nonnutritive object; provided, that this clause shall not apply in the case of any nonnutritive object if in the judgment of the commissioner, as provided by rules, such object is of practical functional value to the confectionery product and would not render the product injurious or hazardous to health; ~~or (2) bears or contains any alcohol, other than alcohol not in excess of one half of one percent by volume derived solely from the use of flavoring extracts; or (3) bears or contains any nonnutritive~~

substance; provided, that this clause shall not apply to a safe nonnutritive substance which is in or on confectionery by reason of its use for some practical functional purpose in the manufacture, packaging, or storing of such confectionery if the use of the substance does not promote deception of the consumer or otherwise result in adulteration or misbranding in violation of any provision of the Minnesota food law; and provided further, that the commissioner may, for the purpose of avoiding or resolving uncertainty as to the application of this clause, issue rules allowing or prohibiting the use of particular nonnutritive substances; or

(o) If it is or bears or contains any color additive which is unsafe within the meaning of section 31.122; or

(p) If it is oleomargarine or margarine or butter and any of the raw material used therein consisted in whole or in part of any filthy, putrid, or decomposed substance, or such oleomargarine or margarine or butter is otherwise unfit for food.”

Page 8, line 14, delete “2” and insert “3”

Page 8, line 16, delete “3” and insert “4”

Page 8, line 17, delete “11” and insert “12”

Page 8, line 19, delete “12” and insert “13”

Page 8, line 21, delete “13” and insert “14”

Page 8, line 23, delete “14” and insert “15”

Page 8, line 26, delete “15” and insert “16”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 21, after “sections” insert “31.121;”

The motion prevailed. So the amendment was adopted.

Mr. Spear moved to amend S.F. No. 2108 as follows:

Pages 4 and 5, delete sections 7 and 8 and insert:

“Sec. 7. Minnesota Statutes 1989 Supplement, section 340A.504, subdivision 2, is amended to read:

Subd. 2. [INTOXICATING LIQUOR; ON-SALE.] No sale of intoxicating liquor for consumption on the licensed premises may be made:

(1) between 1:00 a.m., *except as provided in section 10*, and 8:00 a.m. on the days of Monday through Saturday;

(2) after 1:00 a.m. on Sundays, *except as provided by subdivision 3 in section 10*;

(3) between 8:00 p.m. on December 24 and 8:00 a.m. on December 25, *except as provided by subdivision 3*.

Sec. 8. Minnesota Statutes 1989 Supplement, section 340A.504, subdivision 3, is amended to read:

Subd. 3. [INTOXICATING LIQUOR; SUNDAY SALES; ON-SALE.] (a) A restaurant, club, bowling center, or hotel with a seating capacity for at least 30 persons and which holds an on-sale intoxicating liquor license may sell intoxicating liquor for consumption on the premises in conjunction with

the sale of food between the hours of 12:00 noon on Sundays and 1:00 a.m. on Mondays, *except as provided in section 10.*

(b) The governing body of a municipality may after one public hearing by ordinance permit a restaurant, hotel, bowling center, or club to sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 10:00 a.m. on Sundays and 1:00 a.m. on Mondays, *except as provided in section 10*, provided that the licensee is in conformance with the Minnesota clean air act.

(c) An establishment serving intoxicating liquor on Sundays must obtain a Sunday license. The license must be issued by the governing body of the municipality for a period of one year, and the fee for the license may not exceed \$200.

(d) A municipality may issue a Sunday intoxicating liquor license only if authorized to do so by the voters of the municipality voting on the question at a general or special election.

(e) An election conducted in a town on the question of the issuance by the county of Sunday sales licenses to establishments located in the town must be held on the day of the annual election of town officers.

(f) Voter approval is not required for licenses issued by the metropolitan airports commission or common carrier licenses issued by the commissioner. Common carriers serving intoxicating liquor on Sunday must obtain a Sunday license from the commissioner at an annual fee of \$50, plus \$5 for each duplicate.

Sec. 9. Minnesota Statutes 1988, section 340A.504, subdivision 6, is amended to read:

Subd. 6. [MUNICIPALITIES MAY LIMIT HOURS.] A municipality may further limit the hours of sale of alcoholic beverages, provided that further restricted hours must apply equally to sales of nonintoxicating malt liquor and intoxicating liquor. A city may not permit the sale of alcoholic beverages during hours when the sale is prohibited by this section, *except as provided in section 10.*

Sec. 10. Minnesota Statutes 1988, section 340A.504, is amended by adding a subdivision to read:

Subd. 7. [LICENSES AUTHORIZED.] *A municipality may by ordinance after a public hearing, issue to a holder of an on-sale alcoholic beverage license an additional license authorizing the licensee to make on-sales between the hours of 1:00 a.m. and 1:30 a.m. The license is in addition to the number authorized by section 340A.413.*"

Page 8, line 17, delete "11" and insert "13"

Page 8, line 19, delete "12" and insert "14"

Page 8, line 21, delete "13" and insert "15"

Page 8, line 23, delete "14" and insert "16"

Page 8, line 26, delete "15" and insert "17"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 23, delete "subdivision 1" and insert "subdivisions 1 and

6, and by adding a subdivision”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 33, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kroening	Novak	Samuelson
Anderson	Diessner	Lantry	Olson	Schmitz
Berglin	Flynn	Lessard	Peterson, R. W.	Solon
Bertram	Freeman	Merriam	Piepho	Spear
Chmielewski	Gustafson	Metzen	Pogemiller	Stumpf
Dahl	Johnson, D.J.	Morse	Reichgott	Waldorf

Those who voted in the negative were:

Beckman	Davis	Knaak	McGowan	Piper
Benson	Decker	Knutson	McQuaid	Ramstad
Berg	Frank	Laidig	Mehrkens	Renneke
Bernhagen	Frederick	Langseth	Moe, D.M.	Storm
Brandl	Frederickson, D.J.	Larson	Moe, R.D.	Vickerman
Brataas	Hughes	Luther	Pariseau	
Cohen	Johnson, D.E.	Marty	Pehler	

The motion did not prevail. So the amendment was not adopted.

Mr. Knaak moved to amend S.F. No. 2108 as follows:

Pages 4 and 5, delete sections 7 and 8

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 50 and nays 12, as follows:

Those who voted in the affirmative were:

Anderson	Davis	Hughes	Marty	Peterson, R. W.
Beckman	Decker	Johnson, D.E.	McGowan	Piepho
Berg	Dicklich	Johnson, D.J.	McQuaid	Piper
Berglin	Diessner	Knaak	Mehrkens	Pogemiller
Bernhagen	Flynn	Kroening	Merriam	Ramstad
Bertram	Frank	Laidig	Moe, D.M.	Renneke
Brandl	Frederick	Langseth	Moe, R.D.	Spear
Chmielewski	Frederickson, D.J.	Lantry	Olson	Storm
Cohen	Frederickson, D.R.	Larson	Pariseau	Vickerman
Dahl	Freeman	Luther	Pehler	Waldorf

Those who voted in the negative were:

Adkins	Lessard	Novak	Samuelson	Solon
Brataas	Metzen	Reichgott	Schmitz	Stumpf
Gustafson	Morse			

The motion prevailed. So the amendment was adopted.

S.F. No. 2108 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kroening	Moe, D.M.	Renneke
Anderson	Diessner	Laidig	Moe, R.D.	Samuelson
Beckman	Flynn	Langseth	Morse	Schmitz
Berg	Frank	Lantry	Novak	Solon
Berglin	Frederick	Larson	Olson	Spear
Bernhagen	Frederickson, D.J.	Lessard	Pariseau	Storm
Bertram	Frederickson, D.R.	Luther	Pehler	Stumpf
Brandl	Freeman	Marty	Peterson, R.W.	Vickerman
Brataas	Gustafson	McGowan	Piepho	Waldorf
Chmielewski	Hughes	McQuaid	Piper	
Cohen	Johnson, D.E.	Mehrkens	Pogemiller	
Davis	Johnson, D.J.	Merriam	Ramstad	
Decker	Knaak	Metzen	Reichgott	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1987 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1987: A bill for an act relating to housing; establishing a procedure for the allocation of low-income housing tax credits; amending Minnesota Statutes 1988, sections 462A.221, by adding subdivisions; 462A.222, subdivisions 2, 3, and by adding subdivisions; and 462A.223, subdivision 2.

Mr. Pogemiller moved that the amendment to H.F. No. 1987 by the Committee on Rules and Administration in the report adopted March 21, 1990, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 1987 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	Marty	Piper
Anderson	Davis	Johnson, D.E.	McGowan	Pogemiller
Beckman	Decker	Johnson, D.J.	McQuaid	Ramstad
Benson	Dicklich	Knaak	Mehrkens	Reichgott
Berg	Diessner	Knutson	Merriam	Renneke
Berglin	Flynn	Kroening	Metzen	Samuelson
Bernhagen	Frank	Laidig	Morse	Schmitz
Bertram	Frederick	Langseth	Novak	Spear
Brandl	Frederickson, D.J.	Lantry	Olson	Storm
Brataas	Frederickson, D.R.	Larson	Pariseau	Stumpf
Chmielewski	Freeman	Lessard	Pehler	Vickerman
Cohen	Gustafson	Luther	Piepho	Waldorf

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2355 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2355: A bill for an act relating to statutes of limitations; establishing a three-year time limit to bring an action for penalty or forfeiture

for violation of certain environmental statutes; amending Minnesota Statutes 1989 Supplement, section 541.07; proposing coding for new law in Minnesota Statutes, chapter 575.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	McGowan	Pogemiller
Anderson	Davis	Johnson, D.J.	McQuaid	Ramstad
Beckman	Decker	Knaak	Mehrkens	Reichgott
Benson	Dicklich	Knutson	Merriam	Renneke
Berg	Diessner	Kroening	Metzen	Samuelson
Berglin	Flynn	Laidig	Morse	Schmitz
Bernhagen	Frank	Langseth	Novak	Spear
Bertram	Frederick	Lantry	Olson	Storm
Brandl	Frederickson, D.J.	Larson	Pariseau	Stumpf
Brataas	Frederickson, D.R.	Lessard	Pehler	Waldorf
Chmielewski	Freeman	Luther	Piepho	
Cohen	Hughes	Marty	Piper	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1995 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1995: A bill for an act relating to insurance; property and casualty; regulating terminations of agents; prescribing a penalty; proposing coding for new law in Minnesota Statutes, chapter 60A.

Mr. Metzen moved to amend S.F. No. 1995 as follows:

Page 3, line 2, after "*commissioner*" insert "*or a determination of the board of review*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1995 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knutson	Merriam	Reichgott
Anderson	Decker	Kroening	Metzen	Renneke
Beckman	Diessner	Laidig	Moe, R.D.	Samuelson
Benson	Flynn	Langseth	Morse	Schmitz
Berg	Frank	Lantry	Novak	Spear
Berglin	Frederick	Larson	Olson	Storm
Bernhagen	Frederickson, D.J.	Lessard	Pariseau	Stumpf
Bertram	Frederickson, D.R.	Luther	Pehler	Vickerman
Brandl	Freeman	Marty	Piepho	Waldorf
Chmielewski	Hughes	McGowan	Piper	
Cohen	Johnson, D.J.	McQuaid	Pogemiller	
Dahl	Knaak	Mehrkens	Ramstad	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2026 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2026: A bill for an act relating to health; authorizing the creation of a technical advisory task force for emergency dispatch services; requiring the submission of a multidisciplinary report on training needs of emergency dispatchers operating within 911 systems.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Knaak	Mehrkens	Reichgott
Anderson	Davis	Knutson	Merriam	Renneke
Beckman	Diessner	Kroening	Metzen	Samuelson
Benson	Flynn	Laidig	Morse	Schmitz
Berg	Frank	Lantry	Novak	Spear
Berglin	Frederick	Larson	Olson	Storm
Bernhagen	Frederickson, D.R.	Lessard	Pariseau	Stumpf
Bertram	Freeman	Luther	Pehler	Vickerman
Brandl	Gustafson	Marty	Piper	Waldorf
Chmielewski	Hughes	McGowan	Pogemiller	
Cohen	Johnson, D.J.	McQuaid	Ramstad	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 158 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 158: A bill for an act relating to local government; describing relations between counties and towns for planning and zoning; amending Minnesota Statutes 1988, section 394.33, subdivision 1.

Mrs. Adkins moved to amend S.F. No. 158 as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 394.33, is amended by adding a subdivision to read:

Subd. 1a. If a conflict occurs as to whether or not an official control enacted by a town is less restrictive than the county's controls, the county board shall direct a member of its board, and the town board shall direct a member of its board to revise jointly the town or county control to bring them into conformity. Upon approval by the county and town boards and filing a certified copy with the county recorder, the revised control shall take effect. If the two officials cannot reach agreement, the state planning agency shall arbitrate the matter. The county and town boards may agree to accept the arbitrator's decision as binding on both parties, in which case upon the filing of a certified copy with the county recorder, the revised control shall take effect. If the decision is not made binding, appeal of the decision may be made to the district court.”

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 158 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

Mr. Gustafson moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 26 and nays 35, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	Mehrkens	Schmitz
Anderson	Davis	Johnson, D.E.	Pariseau	Storm
Benson	Decker	Laidig	Peterson, R. W.	
Bernhagen	Frederick	Langseth	Piper	
Bertram	Frederickson, D.J.	Larson	Renneke	
Chmielewski	Frederickson, D.R.	Lessard	Samuelson	

Those who voted in the negative were:

Beckman	Diessner	Kroening	Metzen	Ramstad
Berg	Flynn	Lantry	Morse	Reichgott
Berglin	Frank	Luther	Novak	Solon
Brandl	Gustafson	Marty	Olson	Spear
Brataas	Johnson, D.J.	McGowan	Pehler	Stumpf
Cohen	Knaak	McQuaid	Piepho	Vickerman
Dicklich	Knutson	Merriam	Pogemiller	Waldorf

So the bill, as amended, failed to pass.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2498 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2498: A bill for an act relating to occupations and professions; increasing minimum insurance coverage required for abstracters; abolishing requirement of seals by impression; providing for inactive license status; repealing an obsolete provision; amending Minnesota Statutes 1988, sections 386.66; 386.67; and 386.69; repealing Minnesota Statutes 1988, section 386.65, subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.J.	McQuaid	Ramstad
Anderson	Dicklich	Knaak	Merriam	Reichgott
Beckman	Diessner	Knutson	Metzen	Renneke
Benson	Flynn	Kroening	Morse	Schmitz
Berglin	Frank	Laidig	Novak	Spear
Bernhagen	Frederick	Langseth	Olson	Storm
Bertram	Frederickson, D.J.	Lantry	Pariseau	Stumpf
Brandl	Frederickson, D.R.	Larson	Pehler	Vickerman
Brataas	Freeman	Lessard	Peterson, R. W.	Waldorf
Cohen	Gustafson	Luther	Piepho	
Dahl	Hughes	Marty	Piper	
Davis	Johnson, D.E.	McGowan	Pogemiller	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1365 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1365: A bill for an act relating to crimes; requiring prosecutor training in bias-motivated crimes; proposing coding for new law in Minnesota Statutes, chapter 8.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.J.	McQuaid	Pogemiller
Anderson	Dicklich	Knaak	Mehrkens	Ramstad
Beckman	Diessner	Knutson	Merriam	Reichgott
Benson	Flynn	Kroening	Metzen	Renneke
Berglin	Frank	Laidig	Morse	Samuelson
Bernhagen	Frederick	Langseth	Novak	Schmitz
Bertram	Frederickson, D.J.	Lantry	Olson	Solon
Brandl	Frederickson, D.R.	Larson	Pariseau	Spear
Brataas	Freeman	Lessard	Pehler	Storm
Cohen	Gustafson	Luther	Peterson, R.W.	Stumpf
Dahl	Hughes	Marty	Piepho	Vickerman
Davis	Johnson, D.E.	McGowan	Piper	Waldorf

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1971 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1971: A bill for an act relating to education; establishing an automobile safety awareness week; proposing coding for new law in Minnesota Statutes, chapter 126.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.J.	McGowan	Reichgott
Anderson	Dicklich	Knaak	McQuaid	Renneke
Beckman	Flynn	Knutson	Mehrkens	Schmitz
Benson	Frank	Kroening	Metzen	Solon
Bernhagen	Frederick	Laidig	Morse	Spear
Bertram	Frederickson, D.J.	Langseth	Novak	Storm
Brandl	Frederickson, D.R.	Lantry	Olson	Stumpf
Brataas	Freeman	Larson	Pariseau	Vickerman
Cohen	Gustafson	Lessard	Piepho	Waldorf
Dahl	Hughes	Luther	Piper	
Davis	Johnson, D.E.	Marty	Ramstad	

Messrs. Merriam and Peterson, R.W. voted in the negative.

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 394 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 394: A bill for an act relating to education; requiring a report on preparation of post-secondary education administrators and faculty.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Johnson, D.J.	McQuaid	Pogemiller
Anderson	Dicklich	Knaak	Mehrkens	Ramstad
Beckman	Diessner	Knutson	Metzen	Reichgott
Benson	Flynn	Kroening	Moe, R. D.	Renneke
Berglin	Frank	Laidig	Morse	Schmitz
Bernhagen	Frederick	Langseth	Novak	Spear
Bertram	Frederickson, D.J.	Lantry	Olson	Storm
Brataas	Frederickson, D.R.	Larson	Pariseau	Stumpf
Cohen	Freeman	Lessard	Pehler	Vickerman
Dahl	Gustafson	Luther	Peterson, R. W.	Waldorf
Davis	Hughes	Marty	Piepho	
Decker	Johnson, D.E.	McGowan	Piper	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2072 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2072: 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 1988, sections 11A.14, subdivision 5; 15.0597, subdivision 1; 15.50, subdivisions 2 and 5; 16B.53, subdivision 3; 62C.141; 115.49, subdivision 4; 163.06, subdivision 6; 197.55; 232.21, subdivision 7; 256B.69, subdivision 6; 257.41; 273.124, subdivision 13; 273.1315; 333.135; 336.9-105; 353A.02, subdivision 14; 354.05, subdivision 23; 354.66, subdivision 7; 412.701; 412.711; 459.07; 469.155, subdivision 12; 481.12; 626.556, subdivision 10c; Minnesota Statutes 1989 Supplement, sections 18.022, subdivision 2; 62A.045; 105.41, subdivision 1a; 115C.03, subdivision 9; 124.86, subdivision 2; 127.455; 144.6501, subdivision 10; 168.013, subdivision 1a; 168.33, subdivision 2; 176.421, subdivision 7; 204C.361; 236.02, subdivision 7; 245.462, subdivision 4; 256E.08, subdivision 5; 256H.08; 256H.22, subdivisions 2 and 3; 260.185, subdivision 1; 270B.12, subdivision 7; 273.119, subdivision 1; 319A.20; 336.2A-104; 352.01, subdivision 2b; 352.72, subdivision 1; 352B.30, subdivision 1; 383D.41, subdivisions 1 and 2; 422A.05, subdivision 2a; 469.129, subdivision 1; 501B.61, subdivision 1; 563.01, subdivision 3; 609.605, subdivision 3; Minnesota Statutes Second 1989 Supplement, sections 121.904, subdivision 4a; 245A.14, subdivision 6; and 275.50, subdivision 5; and Laws 1989, chapters 329,

article 8, section 15, subdivision 2; 332, section 3, subdivision 3; repealing Minnesota Statutes 1988, sections 11A.19, subdivisions 1 to 8; 43A.192; Minnesota Statutes 1989 Supplement, sections 11A.19, subdivision 9; and 226.01 to 226.06.

Mr. Cohen moved to amend S.F. No. 2072 as follows:

Pages 3 to 9, delete section 7 and insert:

"Sec. 7. Minnesota Statutes 1989 Supplement, section 15.50, subdivision 2, is amended to read:

Subd. 2. (a) The board shall prepare, prescribe, and from time to time amend a comprehensive use plan for the capitol area, herein called the area which shall initially consist of that portion of the city of Saint Paul comprehended within the following boundaries: Beginning at the point of intersection of the centerline of the Arch-Pennsylvania freeway and the centerline of Marion Street, thence southerly along the centerline of Marion Street extended to a point 50 feet south of the south line of Concordia Avenue, thence southeasterly along a line extending 50 feet from the south line of Concordia Avenue to a point 125 feet from the west line of John Ireland Boulevard, thence southwesterly along a line extending 125 feet from the west line of John Ireland Boulevard to the south line of Dayton Avenue, thence northeasterly from the south line of Dayton Avenue to the west line of John Ireland Boulevard, thence northeasterly to the centerline of the intersection of Old Kellogg Boulevard and Summit Avenue, thence northeasterly along the centerline of Summit Avenue to the south line of the right-of-way of the Fifth Street ramp, thence southeasterly along the right-of-way of the Fifth Street ramp to the east line of the right-of-way of Interstate Highway 35-E, thence northeasterly along the east line of the right-of-way of Interstate Highway 35-E to the south line of the right-of-way of Interstate Highway 94, thence easterly along the south line of the right-of-way of Interstate Highway 94 to the west line of St. Peter Street, thence southerly to the south line of Eleventh Street, thence easterly along the south line of Eleventh Street to the west line of Cedar Street, thence southeasterly along the west line of Cedar Street to the centerline of Tenth Street, thence northeasterly along the centerline of Tenth Street to the centerline of Minnesota Street, thence northwesterly along the centerline of Minnesota Street to the centerline of Eleventh Street, thence northeasterly along the centerline of Eleventh Street to the centerline of Jackson Street, thence northwesterly along the centerline of Jackson Street to the centerline of the Arch-Pennsylvania freeway extended, thence westerly along the centerline of the Arch-Pennsylvania freeway extended and Marion Street to the point of origin. Pursuant to the comprehensive plan, or any portion thereof, the board may regulate, by means of zoning rules adopted pursuant to the administrative procedure act, the kind, character, height, and location, of buildings and other structures constructed or used, the size of yards and open spaces, the percentage of lots that may be occupied, and the uses of land, buildings and other structures, within the area. To protect and enhance the dignity, beauty, and architectural integrity of the capitol area, the board is further empowered to include in its zoning rules design review procedures and standards with respect to any proposed construction activities in the capitol area significantly affecting the dignity, beauty, and architectural integrity of the area. No person shall undertake these construction activities as defined in the board's rules in the capitol area without first submitting construction plans to the board, ~~obtained~~ *obtaining* a zoning permit from the board and ~~received~~ *receiving* a written certification from the board

specifying that the person has complied with all design review procedures and standards. Violation of the zoning rules is a misdemeanor. The board may, at its option, proceed to abate any violation by injunction. The board and the city of St. Paul shall cooperate in assuring that the area adjacent to the capitol area is developed in a manner that is in keeping with the purpose of the board and the provisions of the comprehensive plan.

(b) The commissioner of administration shall act as a consultant to the board with regard to the physical structural needs of the state. The commissioner shall make studies and report the results to the board when they request reports for their planning purpose.

(c) No public building, street, parking lot, or monument, or other construction shall be built or altered on any public lands within the area unless the plans for the same conforms to the comprehensive use plan as specified in clause (d) and to the requirement for competitive plans as specified in clause (e). No alteration substantially changing the external appearance of any existing public building approved in the comprehensive plan or the exterior or interior design of any proposed new public building the plans for which were secured by competition under clause (e), may be made without the prior consent of the board. The commissioner of administration shall consult with the board regarding internal changes having the effect of substantially altering the architecture of the interior of any proposed building.

(d) The comprehensive plan shall show the existing land uses and recommend future uses including: areas for public taking and use; zoning for private land and criteria for development of public land, including building areas and open spaces; vehicular and pedestrian circulation; utilities systems; vehicular storage; elements of landscape architecture. No substantial alteration or improvement shall be made to public lands or buildings in the area save with the written approval of the board.

(e) The board shall secure by competitions, plans for any new public building. Plans for any comprehensive plan, landscaping scheme, street plan, or property acquisition, which may be proposed, or for any proposed alteration of any existing public building, landscaping scheme or street plan may be secured by a similar competition. Such competition shall be conducted under rules prescribed by the board and may be of any type which meets the competition standards of the American Institute of Architects. Designs selected shall become the property of the state of Minnesota and the board may award one or more premiums in each such competition and may pay such costs and fees as may be required for the conduct thereof. At the option of the board, plans for projects estimated to cost less than \$1,000,000 may be approved without competition provided such plans have been considered by the advisory committee described in clause (f). Plans for projects estimated to cost less than \$400,000 and for construction of streets need not be considered by the advisory committee if in conformity with the comprehensive plan.

(f) The board shall not adopt any plan under clause (e) unless it first receives the comments and criticism of an advisory committee of three persons, each of whom is either an architect or a planner, who have been selected and appointed as follows: one by the board of the arts, one by the board, and one by the Minnesota Society of the American Institute of Architects. Members of the committee shall not be contestants under clause (e). The comments and criticism shall be a matter of public information.

The committee shall advise the board on all architectural and planning matters. For that purpose:

(1) the committee shall be kept currently informed concerning, and have access to, all data, including all plans, studies, reports and proposals, relating to the area as the same are developed or in the process of preparation whether by the commissioner of administration, the commissioner of trade and economic development, the metropolitan council, the city of Saint Paul, or by any architect, planner, agency or organization, public or private, retained by the board or not retained and engaged in any work or planning relating to the area. A copy of any such data prepared by any public employee or agency shall be filed with the board promptly upon completion;

(2) the board may employ such stenographic or technical help as may be reasonable to assist the committee to perform its duties;

(3) when so directed by the board, the committee may serve as, and any member or members thereof may serve on, the jury or as professional advisor for any architectural competition. The board shall select the architectural advisor and jurors for any competition with the advice of the committee; and

(4) the city of St. Paul shall advise the board.

(g) The comprehensive plan for the area shall be developed and maintained in close cooperation with the commissioner of trade and economic development and the planning department and the council for the city of Saint Paul and the board of the arts, and no such plan or amendment thereof shall be effective without 90 days' notice to the planning department of the city of Saint Paul and the board of the arts.

(h) The board and the commissioner of administration jointly, shall prepare, prescribe, and from time to time revise standards and policies governing the repair, alteration, furnishing, appearance and cleanliness of the public and ceremonial areas of the state capitol building. Pursuant to this power, the board shall consult with and receive advice from the director of the Minnesota state historical society regarding the historic fidelity of plans for the capitol building. The standards and policies developed as herein provided shall be binding upon the commissioner of administration. The provisions of sections 14.02, 14.04 to 14.36, 14.38, and 14.44 to 14.45 shall not apply to this clause.

(i) The board in consultation with the commissioner of administration shall prepare and submit to the legislature and the governor no later than October 1 of each even-numbered year a report on the status of implementation of the comprehensive plan together with a program for capital improvements and site development, and the commissioner of administration shall provide the necessary cost estimates for the program.

(j) The state shall, by the attorney general upon the recommendation of the board and within appropriations available for that purpose, acquire by gift, purchase or eminent domain proceedings any real property situated in the area described in this section and it shall also have the power to acquire an interest less than a fee simple interest in the property, if it finds that it is needed for future expansion or beautification of the area.

(k) The board is the successor of the state veterans' service building commission, and as such may adopt rules and may reenact the rules adopted by its predecessor under Laws 1945, chapter 315, and acts amendatory

thereof.

(l) The board shall meet at the call of the chair and at such other times as it may prescribe.

(m) The commissioner of administration shall assign quarters in the state veterans service building to (1) the department of veterans affairs of which such part as the commissioner of administration and commissioner of veterans affairs may mutually determine shall be on the first floor above the ground and (2) the American Legion, Veterans of Foreign Wars, Disabled American Veterans, Military Order of the Purple Heart, United Spanish War Veterans, and Veterans of World War I, and their auxiliaries, incorporated, or when incorporated, under the laws of the state, and (3) as space becomes available to such other state departments and agencies as the commissioner may deem desirable.”

Page 15, delete section 19 and insert:

“Sec. 19. Minnesota Statutes 1989 Supplement, section 163.06, subdivision 6, is amended to read:

Subd. 6. [EXPENDITURE IN CERTAIN COUNTIES.] In any county having not less than 95 nor more than 105 full and fractional townships, and having a net tax capacity of not less than \$3,000,000 nor more than \$5,000,000, exclusive of money and credits, the county board, by resolution, may expend the funds provided in subdivision 4 in any organized or unorganized township or portion thereof in such county.”

Pages 57 to 59, delete section 9 and insert:

“Sec. 9. Minnesota Statutes 1989 Supplement, section 273.124, subdivision 13, is amended to read:

Subd. 13. [SOCIAL SECURITY NUMBER REQUIRED FOR HOMESTEAD APPLICATION.] Every property owner applying for homestead classification must furnish to the county assessor that owner's social security number. If the social security number is not provided, the county assessor shall classify the property as nonhomestead. The social security numbers of the property owners are private data on individuals as defined by section 13.02, subdivision 12, but, notwithstanding that section, the private data may be disclosed to the commissioner of revenue.

At the request of the commissioner, each county must give the commissioner a list that includes the name and social security number of each property owner applying for homestead classification.

If, in comparing the lists supplied by the counties, the commissioner finds that a property owner is claiming more than one homestead, the commissioner shall notify the appropriate counties. Within 90 days of the notification, the county assessor shall investigate to determine if the homestead classification was properly claimed. If the property owner does not qualify, the county assessor shall notify the county auditor who will determine the amount of homestead benefits that had been improperly allowed. For the purpose of this section, “homestead benefits” means the tax reduction resulting from the classification as a homestead under section 273.13, the homestead credit under section 273.13 for taxes payable in 1989 and under section 273.1398 for taxes payable in 1990 and thereafter, the taconite homestead credit, and the supplemental homestead credit, and the tax reduction resulting from the agricultural credit under section 273.132 for taxes payable in 1989 and under section 273.1398 for taxes payable in 1990 and

thereafter. The county auditor shall send a notice to the owners of the affected property, demanding reimbursement of the homestead benefits plus a penalty equal to 25 percent of the homestead benefits. The property owners may appeal the county's determination by filing a notice of appeal with the Minnesota tax court within 60 days of the date of the notice from the county.

If the amount of homestead benefits and penalty is not paid within 60 days, and if no appeal has been filed, the county auditor shall certify the amount to the succeeding year's tax list to be collected as part of the property taxes.

Any amount of homestead benefits recovered from the property owner must be transmitted to the commissioner by the end of each calendar quarter. Any amount recovered attributable to taconite homestead credit shall be transmitted to the St. Louis county auditor to be deposited in the taconite property tax relief account. The amount of penalty collected must be deposited in the county general fund.

The commissioner will provide suggested homestead applications to each county. If a property owner has applied for more than one homestead and the county assessors cannot determine which property should be classified as homestead, the county assessors will refer the information to the commissioner. The commissioner shall make the determination and notify the counties within 60 days.

In addition to lists of homestead properties, the commissioner may ask the counties to furnish lists of all properties and the record owners."

Amend the title as follows:

Page 1, line 8, delete "subdivisions 2 and" and insert "subdivision"

Page 1, line 10, delete "163.06, subdivision 6;"

Page 1, line 11, delete "273.124,"

Page 1, line 12, delete "subdivision 13;"

Page 1, line 16, after "sections" insert "15.50, subdivision 2;"

Page 1, line 19, after the second semicolon, insert "163.06, subdivision 6;"

Page 1, line 25, after the first semicolon, insert "273.124, subdivision 13;"

The motion prevailed. So the amendment was adopted.

Mr. Cohen then moved to amend S.F. No. 2072 as follows:

Page 10, after line 8, insert:

"Sec. 11. Minnesota Statutes 1988, section 79A.14, is amended to read:
79A.14 [LETTER OF CREDIT FORM.]

The form for the letter of credit under this chapter shall be:

Effective Date

State of Minnesota (Beneficiary)

(Address)

Dear Sirs:

By order of (Self-Insurer) we are instructed to open a clean irrevocable Letter of Credit in your favor for United States \$ (Amount).

We undertake that drawings under this Letter of Credit will be honored upon presentation of your draft drawn on (~~Self-Insurer~~ issuing bank), at (Address) prior to expiration date.

The Letter of Credit expires on , but will automatically extend for an additional one year if you have not received by registered mail notification of intention not to renew 60 days prior to the original expiration date and each subsequent expiration date.

Except as expressly stated herein, this undertaking is not subject to any condition or qualification. The obligation of (issuing bank) under this letter of credit shall be the individual obligation of (issuing bank), in no way contingent upon reimbursement with respect thereto.

Very truly yours,

. (Signature)"

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 9, after the third semicolon, insert "79A.14;"

The motion prevailed. So the amendment was adopted.

S.F. No. 2072 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Merriam	Renneke
Anderson	Diessner	Kroening	Metzen	Schmitz
Beckman	Flynn	Laidig	Moe, R. D.	Spear
Benson	Frank	Langseth	Morse	Storm
Berglin	Frederick	Lantry	Novak	Stumpf
Bernhagen	Frederickson, D.R.	Larson	Olson	Vickerman
Bertram	Gustafson	Lessard	Pariseau	Waldorf
Brataas	Hughes	Luther	Peterson, R. W.	
Cohen	Johnson, D.E.	Marty	Piepho	
Davis	Johnson, D.J.	McGowan	Piper	
Decker	Knaak	McQuaid	Ramstad	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1955 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1955: A bill for an act relating to housing; changing the definition of designated home ownership area for the Minnesota rural and urban homesteading program; amending Minnesota Statutes 1989 Supplement, section 462A.057, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Mehrkens	Renneke
Anderson	Decker	Knutson	Merriam	Samuelson
Beckman	Dicklich	Kroening	Metzen	Schmitz
Benson	Diessner	Laidig	Moe, R.D.	Solon
Berg	Flynn	Langseth	Morse	Spear
Berglin	Frank	Lantry	Novak	Storm
Bernhagen	Frederick	Larson	Olson	Stumpf
Bertram	Frederickson, D.R.	Lessard	Pariseau	Vickerman
Brandl	Gustafson	Luther	Piepho	Waldorf
Brataas	Hughes	Marty	Piper	
Cohen	Johnson, D.E.	McGowan	Pogemiller	
Dahl	Johnson, D.J.	McQuaid	Ramstad	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2068 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2068: A bill for an act relating to insurance; no-fault auto; clarifying eligibility for economic loss benefits; amending Minnesota Statutes 1988, section 65B.64, subdivision 1; and Minnesota Statutes 1989 Supplement, section 65B.64, subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.J.	Mehrkens	Samuelson
Anderson	Dicklich	Knaak	Merriam	Solon
Beckman	Diessner	Knutson	Metzen	Spear
Berg	Flynn	Kroening	Moe, R.D.	Storm
Berglin	Frank	Langseth	Morse	Stumpf
Bernhagen	Frederick	Lantry	Novak	Vickerman
Bertram	Frederickson, D.J.	Lessard	Pariseau	Waldorf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	
Cohen	Gustafson	Marty	Piepho	
Dahl	Hughes	McGowan	Piper	
Davis	Johnson, D.E.	McQuaid	Ramstad	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2431 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2431: A bill for an act relating to buildings; changing the definition of public building in the state building code; ratifying the interstate compact on industrialized/modular buildings; amending Minnesota Statutes 1989 Supplement, section 16B.60, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 16B.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Merriam	Ramstad
Anderson	Diessner	Knutson	Metzen	Renneke
Beckman	Flynn	Kroening	Moe, R.D.	Samuelson
Benson	Frank	Laidig	Morse	Solon
Bernhagen	Frederick	Langseth	Novak	Spear
Bertram	Frederickson, D.J.	Lantry	Olson	Storm
Brandl	Frederickson, D.R.	Lessard	Pariseau	Stumpf
Cohen	Freeman	Luther	Pehler	Vickerman
Dahl	Gustafson	Marty	Peterson, R.W.	Waldorf
Davis	Hughes	McGowan	Piepho	
Decker	Johnson, D.E.	McQuaid	Piper	
DeCramer	Johnson, D.J.	Mehrkens	Pogemiller	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2181 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2181: A bill for an act relating to labor; regulating joint labor-management committees; regulating public employee elections; providing for the selection of arbitrators by mutual agreement; amending Minnesota Statutes 1988, sections 179.02, by adding a subdivision; 179.84, subdivision 1; 179.85; 179A.04, subdivision 3; 179A.12, subdivisions 7 and 11; and Minnesota Statutes 1989 Supplement, section 179A.16, subdivision 4.

Ms. Flynn moved to amend S.F. No. 2181 as follows:

Page 5, after line 3, insert:

“Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 7 are effective the day following final enactment.”

The motion prevailed. So the amendment was adopted.

S.F. No. 2181 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Hughes	Marty	Piper
Anderson	DeCramer	Johnson, D.E.	McGowan	Pogemiller
Beckman	Dicklich	Johnson, D.J.	Mehrkens	Ramstad
Benson	Diessner	Knaak	Merriam	Renneke
Berglin	Flynn	Knutson	Metzen	Samuelson
Bernhagen	Frank	Kroening	Morse	Solon
Bertram	Frederick	Laidig	Novak	Spear
Brandl	Frederickson, D.J.	Langseth	Olson	Storm
Cohen	Frederickson, D.R.	Lantry	Pariseau	Stumpf
Dahl	Freeman	Lessard	Peterson, R. W.	Vickerman
Davis	Gustafson	Luther	Piepho	Waldorf

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1866 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1866: A bill for an act relating to Lake Superior; establishing an information and education authority; proposing coding for new law as Minnesota Statutes, chapter 85B.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 47 and nays 13, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Hughes	Marty	Samuelson
Anderson	DeCramer	Johnson, D.E.	McQuaid	Schmitz
Beckman	Dicklich	Johnson, D.J.	Moe, R.D.	Solon
Bernhagen	Diessner	Kroening	Morse	Spear
Bertram	Frank	Laidig	Novak	Storm
Brandl	Frederick	Langseth	Olson	Stumpf
Brataas	Frederickson, D.J.	Lantry	Pehler	Vickerman
Chmielewski	Frederickson, D.R.	Larson	Piper	
Cohen	Freeman	Lessard	Pogemiller	
Dahl	Gustafson	Luther	Reichgott	

Those who voted in the negative were:

Benson	Flynn	McGowan	Pariseau	Ramstad
Berg	Knaak	Mehrkens	Peterson, R. W.	
Decker	Knutson	Merriam	Piepho	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2445 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2445: A bill for an act relating to state government; establishing positions in the unclassified service; authorizing the commissioner of jobs and training to establish a position in the unclassified service; amending Minnesota Statutes 1988, section 268.0121, subdivision 3; Minnesota Statutes 1989 Supplement, section 43A.08, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.E.	McGowan	Reichgott
Anderson	Decker	Johnson, D.J.	McQuaid	Samuelson
Beckman	DeCramer	Knaak	Mehrkens	Schmitz
Benson	Dicklich	Knutson	Metzen	Solon
Berglin	Diessner	Kroening	Moe, R.D.	Spear
Bernhagen	Flynn	Laidig	Morse	Storm
Bertram	Frank	Langseth	Olson	Stumpf
Brandl	Frederick	Lantry	Pariseau	Vickerman
Brataas	Frederickson, D.J.	Larson	Pehler	Waldorf
Chmielewski	Frederickson, D.R.	Lessard	Piper	
Cohen	Freeman	Luther	Pogemiller	
Dahl	Hughes	Marty	Ramstad	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 409 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 409: A bill for an act relating to employment; providing for certain employee leaves of absences; amending Minnesota Statutes 1988, sections 181.940; 181.941; 181.942; 181.943; and 181.944; proposing coding for new law in Minnesota Statutes, chapter 181.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.E.	McQuaid	Ramstad
Anderson	Decker	Johnson, D.J.	Mehrkens	Reichgott
Beckman	DeCramer	Knaak	Metzen	Renneke
Benson	Dicklich	Kroening	Moe, R.D.	Samuelson
Berg	Diessner	Laidig	Morse	Schmitz
Berglin	Flynn	Langseth	Novak	Solon
Bernhagen	Frank	Lantry	Olson	Spear
Bertram	Frederickson, D.J.	Larson	Pariseau	Storm
Brandl	Frederickson, D.R.	Lessard	Pehler	Stumpf
Brataas	Freeman	Luther	Piepho	Vickerman
Chmielewski	Gustafson	Marty	Piper	Waldorf
Cohen	Hughes	McGowan	Pogemiller	

Messrs. Frederick and Knutson voted in the negative.

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2360 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2360: A bill for an act relating to economic development; clarifying the appointing authority for the board of the Minnesota Project Outreach Corporation; requiring duties of the Minnesota Project Outreach Corporation; requiring notification under the capital access program; removing the requirement that employees of the Greater Minnesota Corporation file

statements of economic interest; changing the procedure for adopting a neighborhood revitalization program; amending Minnesota Statutes 1989 Supplement, sections 116J.691, subdivisions 1, 2, and 4; 116J.8766, by adding a subdivision; 116O.03, subdivision 11; and 469.203, subdivision 4; repealing Minnesota Statutes 1989 Supplement, section 469.203, subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 38 and nays 20, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Freeman	Luther	Renneke
Beckman	DeCramer	Gustafson	Metzen	Samuelson
Berglin	Dicklich	Hughes	Moe, R. D.	Solon
Bertram	Diessner	Kroening	Morse	Spear
Brandl	Flynn	Laidig	Novak	Stumpf
Chmielewski	Frank	Langseth	Pehler	Waldorf
Cohen	Frederickson, D.J.	Lantry	Piper	
Dahl	Frederickson, D.R.	Lessard	Reichgott	

Those who voted in the negative were:

Anderson	Frederick	Larson	Merriam	Piepho
Benson	Johnson, D.E.	McGowan	Olson	Ramstad
Berg	Knaak	McQuaid	Pariseau	Storm
Decker	Knutson	Mehrkens	Peterson, R.W.	Vickerman

So the bill passed and its title was agreed to.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Messages From the House, First Reading of House Bills, Reports of Committees, Second Reading of Senate Bills and Second Reading of House Bills.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1913, 1928, 2343 and 2374.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 21, 1990

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 1913: A bill for an act relating to commerce; regulating dividends on claims in liquidation proceedings; regulating the lending practices of regulated lenders; specifying the loan fees and charges that may be imposed by regulated lenders; amending Minnesota Statutes 1988, sections 49.24, subdivision 9; 56.131, subdivisions 1, and 2; 56.14; and 325G.22, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2241, now on General Orders.

H.F. No. 1928: A bill for an act relating to occupations and professions; providing for training for armed employees of private detectives and protective agents; prohibiting certain acts by protective agents and security guards during a labor dispute; amending Minnesota Statutes 1988, sections 326.32, by adding a subdivision; and 326.3384, by adding a subdivision; and amending Minnesota Statutes 1989 Supplement, section 326.3384, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 326.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2149.

H.F. No. 2343: A bill for an act relating to insurance; accident and health; providing for the classification and disclosure of certain comprehensive health insurance data; regulating the Minnesota comprehensive health insurance plan; requiring insurers to provide written materials on the Minnesota comprehensive health insurance plan; amending Minnesota Statutes 1988, sections 13.71, by adding a subdivision; 62E.10, subdivision 9; 62E.14, by adding subdivisions; and 62E.15, subdivision 4.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2536, now on General Orders.

H.F. No. 2374: A bill for an act relating to agriculture; changing the makeup of potato research and promotion councils; providing for the certification of seed potatoes; amending Minnesota Statutes 1988, section 17.54, subdivision 9; proposing coding for new law in Minnesota Statutes, chapter 21.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1889, now on General Orders.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 1847. The motion prevailed.

Mr. Davis from the Committee on Agriculture and Rural Development, to which was re-referred

S.F. No. 2126: A bill for an act relating to health; clarifying requirements for water well construction and ownership; amending Minnesota Statutes 1988, sections 105.37, by adding a subdivision; 105.41, subdivision 4, and by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 103B.3369, subdivision 5; 103I.005, subdivisions 2, 8, 9, 16, and by adding a subdivision; 103I.101, subdivisions 2, 5, and 6; 103I.111, subdivision 5; 103I.205, subdivisions 1, 2, 4, and 8; 103I.208, subdivision 2; 103I.235; 103I.301, subdivision 3; 103I.311, subdivision 3; 103I.325, subdivision 2; 103I.525, subdivisions 1, 5, and 6; 103I.541, subdivision 1, and by adding subdivisions; 103I.681; 103I.685; 103I.691; 103I.705, subdivisions 2 and 3; 105.41, subdivisions 1c and 5a; Laws 1989, chapter 326, article 3, section 49; proposing coding for new law in Minnesota Statutes, chapter 103I; repealing Minnesota Statutes 1989 Supplement, sections 103I.005, subdivision 19; 103I.211; 103I.301, subdivision 5; 103I.321; and 103I.325, subdivision 1.

Reports the same back with the recommendation that the bill be amended

as follows:

Page 1, after line 22, insert:

"Section 1. Minnesota Statutes 1988, section 18B.14, subdivision 2, is amended to read:

Subd. 2. [BULK PESTICIDE STORAGE.] (a) A person storing pesticides in containers of a rated capacity of 500 gallons or more *for more than ten consecutive days at a bulk pesticide storage facility* must obtain a pesticide storage permit from the commissioner *as required by rule*.

(b) Applications must be on forms provided by the commissioner containing information established by rule. The initial application for a permit must be accompanied by a nonrefundable application fee of \$100 for each location where the pesticides are stored.

(c) The commissioner shall by rule develop and implement a program to regulate bulk pesticides. The rules must include installation of secondary containment devices, storage site security, safeguards, notification of storage site locations, criteria for permit approval, a schedule for compliance, and other appropriate requirements necessary to minimize potential adverse effects on the environment. The rules must conform with existing rules of the pollution control agency.

(d) *A person must obtain a permit from the commissioner on forms provided by the commissioner before the person constructs or substantially alters a bulk pesticide storage facility. If an application is incomplete the commissioner must notify the applicant as soon as possible. The permit must be acted upon within 30 days after receiving a completed application.*

(e) *An application to substantially alter a facility must be accompanied by a \$50 fee.*

(f) *An additional application fee of \$250 must be paid by an applicant who begins construction of, or substantially alters, a bulk pesticide storage facility before a permit is issued by the commissioner. An application for a facility that includes both fertilizers, as regulated under chapter 18C, and pesticides as regulated under this chapter shall pay only one application fee of \$250. The fee under this paragraph may not be charged if the permit is not acted upon within 30 days after receiving a completed application.*

Sec. 2. Minnesota Statutes 1989 Supplement, 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 1990 and at one-fifth of one percent thereafter of annual gross sales within the state, with a minimum *nonrefundable* fee of \$150. A registrant paying more than the minimum fee shall pay the *additional* application fee in quarterly installments by 30 days after the end of each calendar quarter based on the gross sales of the pesticide by the registrant for the preceding calendar quarter. The fee for disinfectants and sanitizers is \$150. *The minimum fee is due by December 31 preceding the year for which the application for registration is made.* Of the amount collected after July 1, 1990, \$600,000 per year must be credited to the waste pesticide account under section 18B.065, subdivision 5.

(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 ~~at the time of payment of the~~ *by March 1 for the previous year's registration application fee*. 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. 3. Minnesota Statutes 1988, section 18B.27, subdivision 3, is amended to read:

Subd. 3. [APPLICATION FEE.] An application fee for a special local need registration must be accompanied by a nonrefundable fee of ~~\$125~~ *\$150*.

Sec. 4. Minnesota Statutes 1988, section 18B.28, subdivision 4, is amended to read:

Subd. 4. [APPLICATION FEE.] (a) An application for registration of an experimental use pesticide product must be accompanied by a nonrefundable application fee of ~~\$125~~ *\$150*.

(b) An additional fee of \$200 must be paid by the applicant for each pesticide distributed or used in the state before an initial experimental use pesticide product registration was issued for the pesticide.

Sec. 5. Minnesota Statutes 1989 Supplement, section 18C.205, subdivision 2, is amended to read:

Subd. 2. [PERMIT REQUIRED.] A person may not apply fertilizers through an irrigation system without a chemigation permit from the commissioner. A chemigation permit is required for one or more wells *or other sources of irrigation water* that are protected from contamination by the same devices *as required by rule*.

Sec. 6. Minnesota Statutes 1989 Supplement, section 18C.305, subdivision 1, is amended to read:

Subdivision 1. [CONSTRUCTION PERMIT.] A person must obtain a permit from the commissioner on forms provided by the commissioner before the person constructs or substantially alters:

(1) safeguards; or

(2) an existing facility used for the ~~manufacture, blending~~ *distribution, handling, or bulk storage* of fertilizers, soil amendments, or plant amendments. The commissioner may not grant a permit for a site without safeguards that are adequate to prevent the escape or movement of the fertilizers from the site.

Sec. 7. Minnesota Statutes 1989 Supplement, section 18D.103, subdivision 1, is amended to read:

Subdivision 1. [REPORT TO COMMISSIONER.] A responsible party or an owner of real property must, on discovering an incident has occurred,

immediately report the incident to the commissioner. *The responsible party must immediately take all reasonable action necessary to minimize or abate the incident and to recover any agricultural chemicals involved in the incident with or without a directive from the commissioner.*

Sec. 8. Minnesota Statutes 1989 Supplement, section 18D.321, subdivision 2, is amended to read:

Subd. 2. [ADMINISTRATIVE REVIEW.] If a person notifies the commissioner that the person intends to contest an order issued under this chapter, the state office of administrative hearings shall conduct a hearing in accordance with the applicable provisions of chapter 14 for hearings in contested cases. *For contested corrective action orders, the state office of administrative hearings shall conduct an administrative hearing not later than 14 days after notification that a corrective action order is contested.*

Sec. 9. [18D.323] [CREDITING OF PENALTIES, FEES, AND COSTS.]

Except for money repaid to the agricultural chemical response and reimbursement account under section 18E.04, subdivision 6, penalties, cost reimbursements, fees, and other moneys collected under this chapter must be deposited into the state treasury and credited to the appropriate pesticide or fertilizer regulatory account.

Sec. 10. Minnesota Statutes 1989 Supplement, section 18E.03, subdivision 3, is amended to read:

Subd. 3. [DETERMINATION OF RESPONSE AND REIMBURSEMENT FEE.] (a) The commissioner shall determine the amount of the response and reimbursement fee under subdivision 5 after a public hearing, but notwithstanding section 16A.128, based on:

(1) the amount needed to maintain a *an unencumbered* balance in the account of \$1,000,000;

(2) the amount estimated to be needed for responses to incidents as provided in subdivision 2, clauses (1) and (2); and

(3) the amount needed for payment and reimbursement under section 18E.04.

(b) The commissioner shall determine the response and reimbursement fee so that the *total* balance in the account does not exceed \$5,000,000.

(c) Money from the response and reimbursement fee shall be deposited in the treasury and credited to the agricultural chemical response and reimbursement account.

Sec. 11. Minnesota Statutes 1989 Supplement, section 18E.03, subdivision 5, is amended to read:

Subd. 5. [FEE AFTER 1990.] (a) The response and reimbursement fee after December 31, 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 ~~and may not exceed~~ 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 sales of the pesticide in the state for use in the state during the previous calendar quarter,

except the surcharge may not be imposed on pesticides that are sanitizers or disinfectants as determined by the commissioner.

(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.

Sec. 12. Minnesota Statutes 1989 Supplement, section 18E.03, is amended by adding a subdivision to read:

Subd. 7. [APPROPRIATION AND REIMBURSEMENT.] The amount of the response and reimbursement fee imposed under subdivisions 3 to 5 is appropriated from the general fund to the agricultural chemical response and reimbursement account to be reimbursed when the fee is collected.

Sec. 13. Minnesota Statutes 1989 Supplement, section 18E.04, subdivision 1, is amended to read:

Subdivision 1. [REIMBURSEMENT OF RESPONSE COSTS.] The commissioner shall reimburse an eligible person from the agricultural chemical response and reimbursement account for the reasonable and necessary costs incurred by the eligible person in taking corrective action as provided in subdivision 4, if the board determines:

(1) *the eligible person takes all reasonable action necessary to minimize and abate an incident and the action is subsequently approved by the commissioner;*

(2) *the eligible person complies with any reasonable requests for corrective action issued to the eligible person by the commissioner;*

(3) *the eligible person complied with corrective action orders issued to the eligible person by the commissioner; and*

(2) (4) the incident was reported as required in chapters 18B, 18C, and 18D.”

Page 8, after line 29, insert:

“Sec. 29. Minnesota Statutes 1989 Supplement, section 103I.205, subdivision 5, is amended to read:

Subd. 5. [AT-GRADE MONITORING WELLS.] At-grade monitoring wells are authorized *without variance* and may be installed for the purpose of evaluating groundwater conditions or for use as a leak detection device. ~~The An at-grade completion monitoring well must comply~~ *be installed in accordance with the rules of the commissioner. The at-grade monitoring wells must be installed with an impermeable double locking cap approved by the commissioner and must be labeled monitoring wells.*

Sec. 30. Minnesota Statutes 1989 Supplement, section 103I.205, subdivision 6, is amended to read:

Subd. 6. [DISTANCE REQUIREMENTS FOR SOURCES OF CONTAMINATION.] (a) A person may not place, construct, or install an actual or potential source of contamination any closer to a well than the isolation distances prescribed by the commissioner by rule unless a variance has been prescribed by rule.

(b) The commissioner shall establish by rule reduced isolation distances for facilities which have safeguards in accordance with sections 18B.01, subdivision 26, and 18C.005, subdivision 29.”

Page 14, after line 9, insert:

“Sec. 40. Minnesota Statutes 1989 Supplement, section 103I.531, subdivision 4, is amended to read:

Subd. 4. [ISSUANCE OF LICENSE.] If an applicant passes the examination as determined by the commissioner, submits the bond under subdivision 5, and pays the license fee under subdivision 6, the commissioner shall issue a limited well contractor’s license. *If the other conditions of this section are satisfied, the commissioner may not withhold issuance of a license based on the applicant’s prior experience under a licensed well contractor.”*

Page 20, lines 23 and 24, delete “*within the seven county metropolitan area*”

Page 22, after line 10, insert:

“Sec. 54. Minnesota Statutes 1988, section 115B.02, subdivision 3, is amended to read:

Subd. 3. [AGENCY.] “Agency” means the *commissioner of agriculture for actions, duties, or authorities relating to agricultural chemicals, or for other substances the pollution control agency.*

Sec. 55. Minnesota Statutes 1988, section 115B.02, is amended by adding a subdivision to read:

Subd. 3a. [AGRICULTURAL CHEMICAL.] “Agricultural chemical” has the meaning given in section 18D.01, subdivision 3.

Sec. 56. Minnesota Statutes 1988, section 115B.02, subdivision 4, is amended to read:

Subd. 4. [COMMISSIONER.] "Commissioner" means the commissioner of agriculture for actions, duties, or authorities related to agricultural chemicals or the commissioner of the pollution control agency for other substances."

Page 22, after line 28, insert:

"Sec. 58. Laws 1989, chapter 326, article 6, section 33, subdivision 2, is amended to read:

Subd. 2. [TASK FORCE.] (a) The task force must include farmers, representatives from farm organizations, the fertilizer industry, University of Minnesota, environmental groups, representatives of local government involved with comprehensive local water planning, and other state agencies, including the pollution control agency, the department of health, the department of natural resources, the state planning agency, and the board of water and soil resources.

(b) The task force shall review existing research including pertinent research from the University of Minnesota and shall develop recommendations for a nitrogen fertilizer management plan for the prevention, evaluation, and mitigation of nonpoint source occurrences of nitrogen fertilizer in waters of the state. The nitrogen fertilizer management plan must include components promoting prevention and developing appropriate responses to the detection of inorganic nitrogen from fertilizer sources in ground or surface water.

(c) The task force shall report its recommendations to the commissioner by ~~May~~ August 1, 1990. The commissioner shall report to the environmental quality board by ~~July~~ October 1, 1990, on the task force's recommendations. The recommendations of the task force shall be incorporated into an overall nitrogen plan prepared by the pollution control agency and the department of agriculture.

Sec. 59. Laws 1989, chapter 326, article 8, section 10, is amended to read:

Sec. 10. [EFFECTIVE DATE.]

~~Sections Section 3, 4, and 5~~ are effective July January 1, 1990, and applies to sales, licenses issued, applications received for licenses, and inspection fees imposed on or after that date.

Section 4 is effective July 1, 1989, and applies to costs of a corrective action as defined by section 18D.01, subdivision 4, incurred by eligible persons after that date.

Section 5 is effective July 1, 1990.

Sec. 60. Laws 1989, chapter 335, article 1, section 23, subdivision 4, is amended to read:

Subd. 4. Groundwater and Solid Waste Pollution Control

	\$ 7,813,000	\$ 8,313,000	
		Summary by Fund	
General		\$ 2,553,000	\$ 3,053,000
Environmental Response		\$ 2,890,000	\$ 2,890,000

Metro Landfill		
Abatement	\$ 1,700,000	\$ 1,700,000
Metro Landfill		
Contingency	\$ 670,000	\$ 670,000

All money in the environmental response, compensation, and compliance fund ~~not otherwise appropriated for purposes of Minnesota Statutes, section 115B.20, subdivision 2, paragraphs (a), (b), (c), and (d), is appropriated to the commissioner of finance for the pollution control agency for the purposes described in the environmental response and liability act, Minnesota Statutes, section 115B.20, subdivision 2, paragraphs (a), (b), (c), and (d) and the commissioner of agriculture. Money in the fund not otherwise appropriated and not needed for purposes of Minnesota Statutes, section 115B.20, subdivision 2, paragraphs (a), (b), (c), and (d), is appropriated to the pollution control agency for other purposes of subdivision 2. This appropriation is available until June 30, 1991.~~

All money in the metropolitan landfill abatement fund not otherwise appropriated is appropriated to the pollution control agency for payment to the metropolitan council and may be used by the council for the purposes of Minnesota Statutes, section 473.844. The council may not spend the money until the legislative commission on waste management has made its recommendations on the budget and work program submitted by the council.

\$1,000,000 the first year and \$1,500,000 the second year are appropriated from the general fund for transfer to the environmental response, compensation, and compliance fund. *Of the amount appropriated in the second year \$75,000 is appropriated from the environmental response, compensation, and compliance fund to the commissioner of agriculture to pay for legal costs relating to response activities.*

Any unencumbered balance from the metropolitan landfill contingency fund remaining in fiscal year 1990 does not cancel but is available for fiscal year 1991.

Sec. 61. [INSTRUCTION TO REVISOR.]

In the 1990 and subsequent editions of Minnesota Statutes the revisor shall:

- (1) change the terms "pollution control agency" and "commissioner of*

the pollution control agency" to "agency" and "commissioner" respectively in sections 115B.17 and 115B.18; and

(2) change the terms "commissioner" and "agency" to "commissioner of the pollution control agency" and "pollution control agency" respectively in section 115B.17, subdivision 13."

Page 23, line 4, before "Minnesota" insert "Minnesota Statutes 1988, section 115B.17, subdivision 8; and"

Page 23, line 8, delete "37 and 39 to 41" and insert "13 are effective July 1, 1990. Sections 14 to 56 and 58 to 64"

Page 23, line 9, delete "38" and insert "57"

Page 23, line 11, delete "3" and insert "16"

Page 23, line 12, after "may" insert "be constructed and"

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to health; providing regulations for bulk pesticide storage; amending provisions relating to pesticide registration fees and application fees; requiring permits for sources of irrigation water; requiring a permit for construction of a fertilizer distribution facility; requiring a responsible party to immediately take reasonable action necessary to abate an agricultural chemical incident; requiring certain administrative hearings on contested orders within 14 days; crediting certain agricultural penalties to the pesticide or fertilizer regulatory accounts; amending provisions relating to the agricultural chemical response and reimbursement fee; appropriating money from the general fund to be reimbursed with response and reimbursement fees; amending provisions relating to response and reimbursement eligibility; providing commissioner of agriculture authority under chapter 115B for agricultural chemical incidents; clarifying requirements for water well construction and ownership; clarifying provisions for at-grade monitoring wells; establishing reduced isolation distances for facilities with safeguards; clarifying conditions to issue a limited well contractor's license; amending effective dates; amending appropriations; amending Minnesota Statutes 1988, sections 18B.14, subdivision 2; 18B.27, subdivision 3; 18B.28, subdivision 4; 105.37, by adding a subdivision; 105.41, subdivision 4, and by adding a subdivision; 115B.02, subdivisions 3, 4, and by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 18B.26, subdivision 3; 18C.205, subdivision 2; 18C.305, subdivision 1; 18D.103, subdivision 1; 18D.321, subdivision 2; 18E.03, subdivisions 3, 5, and by adding a subdivision; 18E.04, subdivision 1; 103B.3369, subdivision 5; 103I.005, subdivisions 2, 8, 9, 16, and by adding a subdivision; 103I.101, subdivisions 2, 5, and 6; 103I.111, subdivision 5, and by adding a subdivision; 103I.205, subdivisions 1, 2, 4, 5, 6, and 8; 103I.208, subdivision 2; 103I.235; 103I.301, subdivision 3; 103I.311, subdivision 3; 103I.325, subdivision 2; 103I.525, subdivisions 1, 5, and 6; 103I.531, subdivision 4; 103I.541, subdivision 1, and by adding subdivisions; 103I.681; 103I.685; 103I.691; 103I.705, subdivisions 2 and 3; 105.41, subdivisions 1c and 5a; Laws 1989, chapters 326, article 3, section 49; article 6, section 33, subdivision 2; article 8, section 10; and 335, article 1, section 23, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters

18D and 103I; repealing Minnesota Statutes 1988, section 115B.17, subdivision 8; Minnesota Statutes 1989 Supplement, sections 103I.005, subdivision 19; 103I.211; 103I.301, subdivision 5; 103I.321; and 103I.325, subdivision 1."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2178: A bill for an act relating to peace officers; requiring applicants seeking initial peace officer licensure on or after August 1, 1994, to have successfully completed a professional peace officer education program; requiring the board of peace officer standards and training to adopt rules by August 1, 1993, providing for the certification of professional peace officer education programs in accredited colleges and universities; requiring the board to establish a task force to assist in the formulation of these rules; requiring the board to submit an interim report to the legislature concerning the development of these rules; proposing coding for new law in Minnesota Statutes, chapter 626.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 626.86, is amended to read:

626.86 [PEACE OFFICERS TRAINING.]

Money appropriated for peace officers training shall be expended as follows:

(a) ~~Ten~~ *Thirty* percent shall be provided for reimbursement to board approved skills courses ~~in proportion to the number of students successfully completing the board's skills licensing examination.~~

(b) To each local unit of government an amount in proportion to the number of licensed peace officers and constables employed, at a rate to be determined by the board. The disbursed amount shall be used exclusively for reimbursement of the cost of in-service training required under chapters 214 and 626.

Sec. 2. Minnesota Statutes 1989 Supplement, section 626.861, subdivision 4, is amended to read:

Subd. 4. [PEACE OFFICERS TRAINING ACCOUNT.] Receipts from penalty assessments must be credited to the general fund. The peace officers standards and training board may allocate from funds appropriated as follows:

(a) Up to ~~ten~~ *30* percent may be provided for reimbursement to board approved skills courses ~~in proportion to the number of students successfully completing the board's skills licensing examination.~~

(b) The balance may be used to pay each local unit of government an amount in proportion to the number of licensed peace officers and constables employed, at a rate to be determined by the board. The disbursed amount must be used exclusively for reimbursement of the cost of in-service training required under this chapter and chapter 214.

Sec. 3. [PROFESSIONAL PEACE OFFICER EDUCATION; STUDY REQUIRED.]

The peace officer standards and training board shall study and report on the training and educational requirements, including the need to require a baccalaureate degree, prerequisite to licensure as a peace officer. In conducting this study, the board shall, at a minimum, consult with peace officers, police chiefs, sheriffs, elected officials from municipalities and counties, representatives of the minority communities, each public post-secondary education system, and the higher education coordinating board. A report based on this study shall be submitted to the legislature on or before February 1, 1991."

Delete the title and insert:

"A bill for an act relating to peace officer education; requiring the POST board and the state higher education boards to study ways of restructuring professional peace officer education programs to include a requirement for a baccalaureate degree; requiring a report to the legislature; increasing the percentage of penalty assessments funds allocated for skills course reimbursement; amending Minnesota Statutes 1988, section 626.86; and Minnesota Statutes 1989 Supplement, section 626.861, subdivision 4."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1873: A bill for an act relating to crime victims; providing victims of delinquent acts the right to request notice of release of juvenile offenders from juvenile correctional facilities; providing notice to sexual assault victims when a juvenile offender is released from pretrial detention; requiring that victims be informed of their right to request the withholding of public law enforcement data that identifies them; clarifying the duty of court administrators to disburse restitution payments; making certain changes to the crime victims reparations act; amending Minnesota Statutes 1988, section 611A.53, subdivision 2; Minnesota Statutes 1989 Supplement, sections 13.84, subdivision 5a; 611A.04, subdivision 2; 611A.06; 611A.52, subdivision 8; and 629.73; proposing coding for new law in Minnesota Statutes, chapter 611A.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 3, delete "entity" and insert "authority"

Page 2, after line 10, insert:

"Sec. 2. Minnesota Statutes 1989 Supplement, section 260.161, subdivision 2, is amended to read:

Subd. 2. Except as provided in this subdivision and in subdivision 1, and except for legal records arising from proceedings that are public under section 260.155, subdivision 1, none of the records of the juvenile court and none of the records relating to an appeal from a nonpublic juvenile court proceeding, except the written appellate opinion, shall be open to public inspection or their contents disclosed except (a) by order of a court or (b) as required by sections 611A.03, 611A.04, ~~and~~ 611A.06, and 629.73. The records of juvenile probation officers and county home schools are

records of the court for the purposes of this subdivision. Court services data relating to delinquent acts that are contained in records of the juvenile court may be released as allowed under section 13.84, subdivision 5a. This subdivision applies to all proceedings under this chapter, including appeals from orders of the juvenile court, except that this subdivision does not apply to proceedings under section 260.255, 260.261, or 260.315 when the proceeding involves an adult defendant. The court shall maintain the confidentiality of adoption files and records in accordance with the provisions of laws relating to adoptions. In juvenile court proceedings any report or social history furnished to the court shall be open to inspection by the attorneys of record and the guardian ad litem a reasonable time before it is used in connection with any proceeding before the court.

When a judge of a juvenile court, or duly authorized agent of the court, determines under a proceeding under this chapter that a child has violated a state or local law, ordinance, or regulation pertaining to the operation of a motor vehicle on streets and highways, except parking violations, the judge or agent shall immediately report the violation to the commissioner of public safety. The report must be made on a form provided by the department of public safety and must contain the information required under section 169.95."

Page 2, delete line 13

Page 2, line 14, delete "to notify the victim of the victim's" and insert:
"A victim has a"

Page 2, line 15, delete "clauses (b) and" and insert "clause" and delete "the" and insert "a law enforcement"

Page 4, line 1, after "(2)" insert "reasonable expenses associated with recreational therapy where a claimant has suffered amputation of a limb;
(3)"

Page 4, line 18, strike "(3)" and insert "(4)"

Page 4, line 20, strike "(4)" and insert "(5)"

Page 4, line 32, strike "(5)" and insert "(6)"

Page 6, after line 36, insert:

"Sec. 8. Minnesota Statutes 1988, section 611A.57, subdivision 6, is amended to read:

Subd. 6. Claims for reparations 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; *provided that the board may forward any reparations claim forms, supporting documents, and reports to local law enforcement authorities for purposes of implementing section 611A.67.*"

Reorder the sections in sequence

Amend the title as follows:

Page 1, line 13, delete "section" and insert "sections" and after the semicolon, insert "and 611A.57, subdivision 6;"

Page 1, line 14, after the semicolon, insert "260.161, subdivision 2;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2134: A bill for an act relating to crime; imposing penalties on persons who commit a crime while wearing or possessing soft body armor; permitting summary forfeiture of weapons used to commit a controlled substance offense; permitting summary forfeiture of soft body armor worn or possessed during the commission of a crime; amending Minnesota Statutes 1988, section 609.5316, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 609.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [609.486] [COMMISSION OF CRIME WHILE WEARING OR POSSESSING A BULLET-RESISTANT VEST.]

A person who commits or attempts to commit a gross misdemeanor or felony while wearing or possessing a bullet-resistant vest is guilty of a felony and, upon conviction, shall be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both. Notwithstanding section 609.04, a prosecution for or conviction under this section is not a bar to conviction of or punishment for any other crime committed by the defendant as part of the same conduct.

As used in this section, "bullet-resistant vest" means a bullet-resistant garment that provides ballistic and trauma protection.

Sec. 2. Minnesota Statutes 1988, section 609.5316, subdivision 3, is amended to read:

Subd. 3. [WEAPONS AND BULLET-RESISTANT VESTS.] Weapons used are contraband and must be summarily forfeited to the appropriate agency upon conviction of the weapon's owner or possessor for a controlled substance crime or for any offense of this chapter. *Bullet-resistant vests, as defined in section 1, worn or possessed during the commission or attempted commission of a crime are contraband and must be summarily forfeited to the appropriate agency upon conviction of the owner or possessor for a controlled substance crime or for any offense of this chapter.* Notwithstanding this subdivision, weapons used and bullet-resistant vests worn or possessed may be forfeited without a conviction under sections 609.531 to 609.5315.

Sec. 3. Minnesota Statutes 1988, section 609.66, subdivision 1, is amended to read:

Subdivision 1. [~~ACTS PROHIBITED MISDEMEANOR.~~] Whoever does any of the following is guilty of a misdemeanor:

- (1) recklessly handles or uses a gun or other dangerous weapon or explosive so as to endanger the safety of another; or
- (2) intentionally points a gun of any kind, capable of injuring or killing a human being and whether loaded or unloaded, at or toward another; or

(3) manufactures or sells for any unlawful purpose any weapon known as a slungshot or sand club; or

(4) manufactures, transfers, or possesses metal knuckles or a switch blade knife opening automatically; or

(5) possesses any other dangerous article or substance for the purpose of being used unlawfully as a weapon against another; or

(6) ~~sells or has in possession any device designed to silence or muffle the discharge of a firearm; or~~

~~(7) without the parent's or guardian's consent, furnishes a child under 14 years of age, or as a parent or guardian permits the child to handle or use, outside of the parent's or guardian's presence, a firearm or airgun of any kind, or any ammunition or explosive; or~~

~~(8) in any municipality of this state, furnishes a minor under 18 years of age with a firearm, airgun, ammunition, or explosive without the written consent of the minor's parent or guardian or of the police department of the municipality.~~

Sec. 4. Minnesota Statutes 1988, section 609.66, is amended by adding a subdivision to read:

Subd. 1a. [FELONY.] Whoever does any of the following is guilty of a felony and may be sentenced to imprisonment for not more than two years or to payment of a fine of not more than \$5,000, or both:

(1) sells or has in possession any device designed to silence or muffle the discharge of a firearm;

(2) in any municipality of this state, furnishes a minor under 18 years of age with a firearm, airgun, ammunition, or explosive without the written consent of the minor's parent or guardian or of the police department of the municipality; or

(3) intentionally discharges a firearm under circumstances that endanger the safety of another.

Sec. 5. Minnesota Statutes 1988, section 609.67, subdivision 3, is amended to read:

Subd. 3. [USES PERMITTED.] The following persons may own or possess a machine gun or short-barreled shotgun provided the provisions of subdivision 4 are complied with:

(1) law enforcement officers for use in the course of their duties;

(2) chief executive officers of correctional facilities and other personnel thereof authorized by them and persons in charge of other institutions for the retention of persons convicted or accused of crime, for use in the course of their duties;

(3) persons possessing machine guns or short-barreled shotguns which, although designed as weapons, have been determined by the superintendent of the bureau of criminal apprehension or the superintendent's delegate by reason of the date of manufacture, value, design or other characteristics to be primarily collector's items, relics, museum pieces or objects of curiosity, ornaments or keepsakes, and are not likely to be used as weapons;

(4) manufacturers of ammunition who possess and use machine guns for the sole purpose of testing ammunition manufactured for sale to law

~~enforcement agencies and correctional facilities federal and state agencies or political subdivisions; and~~

(5) dealers and manufacturers who are federally licensed to buy and sell, or manufacture machine guns or short-barreled shotguns and who either use the machine guns or short-barreled shotguns in peace officer training under courses approved by the board of peace officer standards and training, or are engaged in the sale of machine guns or short-barreled shotguns to ~~Minnesota law enforcement federal and state agencies and will use the machine gun or short-barreled shotgun for law enforcement sales demonstrations or political subdivisions.~~

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective August 1, 1990, and apply to crimes committed on or after that date."

Amend the title as follows:

Page 1, line 3, delete everything after "a" and insert "gross misdemeanor or felony while wearing or possessing a bullet-resistant vest"

Page 1, line 4, delete "armor"

Page 1, line 6, delete "soft body armor" and insert "bullet-resistant vests"

Page 1, line 7, after the semicolon, insert "increasing the penalty for furnishing firearms to a minor, intentionally discharging a firearm under circumstances that endanger another, and selling a firearm with a silencer; clarifying that ammunition manufacturers and federally licensed dealers may sell to government agencies;"

Page 1, line 8, delete "section" and insert "sections"

Page 1, line 9, after the semicolon, insert "609.66, subdivision 1, and by adding a subdivision; and 609.67, subdivision 3;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 2400: A bill for an act relating to traffic regulations; establishing penalties for driving past railroad crossing warning devices and flaggers; providing for instruction in railroad crossing safety at driver improvement clinics; establishing standards and procedures for closing a railroad crossing; imposing penalties; amending Minnesota Statutes 1988, sections 169.26; and 169.973, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 219; repealing Minnesota Statutes 1988, sections 219.27 and 219.28.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 12, insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 169.121, subdivision 3, is amended to read:

Subd. 3. [CRIMINAL PENALTIES.] (a) A person who violates subdivision 1 or an ordinance in conformity with it is guilty of a misdemeanor.

(b) A person is guilty of a gross misdemeanor who 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, subdivision 1, paragraph (a), 169.129, 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.

(c) A person who violates subdivision 1a is guilty of a gross misdemeanor.

(d) 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.

Page 2, lines 3 and 4, strike "when the crossing gate is lowered or"

Page 2, line 8, delete "PENALTIES" and insert "PENALTY" and delete "(a)"

Page 2, delete lines 10 and 11

Page 3, lines 14, 20, 27, 35, and 36, delete "3" and insert "4"

Page 4, delete lines 9 to 11 and insert:

"Sections 1 and 2 are effective August 1, 1990, and apply to violations committed on or after that date. Sections 3 and 4 are effective the day following final enactment. Sections 5 and 6 are effective December 1, 1991."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "establishing" and insert "increasing from a petty misdemeanor to a misdemeanor the penalty"

Page 1, line 3, delete "penalties"

Page 1, line 4, after the semicolon, insert "providing a gross misdemeanor penalty for a railroad crossing violation committed while intoxicated;"

Page 1, line 9, after the semicolon, insert "Minnesota Statutes 1989 Supplement, section 169.121, subdivision 3;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2089: A bill for an act relating to crime; imposing penalties for assaulting social workers and other medical and social service employees; prohibiting repeated threats of crimes of violence; amending Minnesota Statutes 1988, sections 609.2231, by adding a subdivision; and 609.713, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 609.713, subdivision 1, is amended to read:

Subdivision 1. Whoever threatens, *directly or indirectly*, to commit any crime of violence with purpose to terrorize another or to cause evacuation of a building, place of assembly or facility of public transportation or otherwise to cause serious public inconvenience, or in a reckless disregard of the risk of causing such terror or inconvenience may be sentenced to imprisonment for not more than five years.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1990, and applies to crimes committed on or after that date.”

Delete the title and insert:

“A bill for an act relating to crime; clarifying that terroristic threats include those made indirectly; amending Minnesota Statutes 1988, section 609.713, subdivision 1.”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2004: A bill for an act relating to courts; delaying the effective date of the law requiring counties to pay filing fees in district court actions; exempting certain public authorities from paying filing fees in district court actions in certain circumstances; amending Minnesota Statutes Second 1989 Supplement, section 357.021, subdivision 1a; Laws 1989, chapter 335, article 3, section 58, as amended.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, delete “1994” and insert “1992”

Page 2, after line 6, insert:

“(b) In a county that has a screener-collector position, fees paid by a county under this subdivision must 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 must be forwarded to the state treasurer for deposit in the state treasury and credit to the general fund. For purposes of this paragraph, a screener-collector position 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.”

Page 2, line 7, delete "(b)" and insert "(c)"

Page 2, line 21, delete "the protection of juveniles" and insert "court relief"

Page 2, line 23, delete "or"

Page 2, line 28, before the period, insert "; or

(8) restitution under section 611A.04"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2200: A bill for an act relating to the collection and dissemination of data; proposing classifications of data as private and nonpublic; clarifying access to data on decedents; changing classification nomenclature as it relates to medical examiner's data; establishing a statute of limitations for actions brought; amending Minnesota Statutes 1988, sections 13.10, subdivision 3; 13.83, subdivisions 4, 5, 7, and 9; Minnesota Statutes 1989 Supplement, sections 13.83, subdivision 8; 171.06, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 13; repealing Minnesota Statutes 1988, section 13.641.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 14, insert:

"Section 1. Minnesota Statutes 1988, section 13.03, subdivision 3, is amended to read:

Subd. 3. [REQUEST FOR ACCESS TO DATA.] Upon request to a responsible authority or designee, a person shall be permitted to inspect and copy public government data at reasonable times and places, and, upon request, shall be informed of the data's meaning. If a person requests access for the purpose of inspection, the responsible authority may not assess a charge or require the requesting person to pay a fee to inspect data. The responsible authority or designee shall provide copies of public government data upon request. If a person requests copies, the responsible authority may require the requesting person to pay the actual costs of searching for and retrieving government data and for making, certifying and compiling the copies of the data but may not charge for separating public from not public data. If the responsible authority or designee is not able to provide copies at the time a request is made, copies shall be supplied as soon as reasonably possible.

When a request under this subdivision involves any person's receipt of copies of public government data that has commercial value and is a *substantial and discrete portion of or* an entire formula, pattern, compilation, program, device, method, technique, process, data base, or system developed with a significant expenditure of public funds by the agency, the responsible authority may charge a reasonable fee for the information in addition to the costs of making, certifying, and compiling the copies. Any fee charged must be clearly demonstrated by the agency to relate to the actual development costs of the information. The responsible authority, upon the request of any person, shall provide sufficient documentation to explain and justify the fee being charged.

If the responsible authority or designee determines that the requested data is classified so as to deny the requesting person access, the responsible authority or designee shall inform the requesting person of the determination either orally at the time of the request, or in writing as soon after that time as possible, and shall cite the specific statutory section, temporary classification, or specific provision of federal law on which the determination is based. Upon the request of any person denied access to data, the responsible authority or designee shall certify in writing that the request has been denied and cite the specific statutory section, temporary classification, or specific provision of federal law upon which the denial was based."

Page 1, line 22, delete "*shall be*" and insert "*are*"

Page 1, line 23, delete everything after the period

Page 1, delete lines 24 to 27

Page 1, line 28, delete "*died.*"

Page 2, after line 1, insert:

"Sec. 3. Minnesota Statutes 1989 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; or

(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; or

(12) to the county medical examiner or the county coroner for identifying or locating relatives or friends of a deceased person.

(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. 4. Minnesota Statutes 1988, section 13.46, subdivision 4, is amended to read:

Subd. 4. [LICENSING DATA.] (a) As used in this subdivision:

(1) "licensing data" means all data collected, maintained, used, or disseminated by the welfare system pertaining to persons licensed or registered or who apply for licensure or registration *or who formerly were licensed or registered* under the authority of the commissioner of human services;

(2) "client" means a person who is receiving services from a licensee or from an applicant for licensure; and

(3) "personal and personal financial data" means social security numbers, identity of and letters of reference, insurance information, reports from the bureau of criminal apprehension, health examination reports, and social/home studies.

(b) Except as provided in paragraph (c), the following data are public: name, address, telephone number of licensees, licensed capacity, type of ~~children~~ *client* preferred, variances granted, type of dwelling, name and relationship of other family members, previous license history, class of license, ~~the nature and content and the existence and status of complaints after resolution when the information is not maintained in anticipation of legal action, record of informal resolutions of licensing violations.~~ *When disciplinary action has been taken against a licensee, the following data regarding the disciplinary action are public: the substance of a complaint, the findings of the investigation of the complaint, the record of informal resolution of a licensing violation, orders of hearing, findings of fact, and conclusions of law, and specifications of the final disciplinary action contained in the record of disciplinary action.*

(c) The following are private data on individuals under section 13.02, subdivision 12, or nonpublic data under section 13.02, subdivision 9: personal and personal financial data on family day care program and family foster care program applicants and licensees and their family members who provide services under the license.

(d) The following are private data on individuals: the identity of persons who have made reports concerning licensees or applicants that appear in inactive investigative data, and the records of clients or employees of the

licensee or applicant for licensure whose records are received by the licensing agency for purposes of review or in anticipation of a contested matter. The names of reporters under sections 626.556 and 626.557 may be disclosed only as provided in section 626.556, subdivision 11, or 626.557, subdivision 12.

(e) Data classified as private, confidential, ~~or~~ nonpublic, or *protected nonpublic* under this subdivision become public data if submitted to a court or administrative law judge as part of a disciplinary proceeding in which there is a public hearing concerning the disciplinary action.

(f) Data generated in the course of licensing investigations that relate to an alleged violation of law are investigative data under subdivision 3.

(g) Data that are not public data collected, maintained, used, or disseminated under this subdivision that relate to or are derived from a report as defined in section 626.556, subdivision 2, are subject to the destruction provisions of section 626.556, subdivision 11."

Page 2, lines 3 and 7, delete "All"

Page 2, line 4, delete "the Grand Marais" and insert "a"

Page 2, line 5, after "ordinance" insert "under section 469.190 or 477A.018" and before the period, insert "data"

Page 2, line 6, delete "DIAL-A-RIDE" and insert "SPECIAL TRANSPORTATION SERVICE"

Page 2, line 8, delete "the"

Page 2, line 9, delete "dial-a-ride" and insert "a special transportation" and after "service" insert "provided under section 174.29 or 473.386"

Page 2, line 10, before the period, insert "data"

Page 2, delete lines 11 to 19 and insert:

"Sec. 7. [13.643] [DEPARTMENT OF AGRICULTURE DATA.]

All financial information on individuals and business entities including, but not limited to, credit reports, financial statements, and net worth calculations, that are contained in an application received by the department of agriculture in its sustainable agricultural loans and grants program under sections 17.115 and 17.116 are private data with regard to data on individuals and nonpublic data with regard to data not on individuals until the application is approved."

Page 2, line 21, delete "The following"

Page 2, line 22, delete "are private: any data"

Page 2, line 24, after "audit" insert "are private" and delete "this" and insert "the"

Page 2, after line 27, insert:

"Data collected by the office of the state auditor relating to an audit are protected nonpublic data or confidential data until the final report of the audit has been completed or the audit is no longer being actively pursued.

Sec. 9. Minnesota Statutes 1988, section 13.69, subdivision 1, is amended to read:

Subdivision 1. [CLASSIFICATIONS.] *(a) The following government data collected and maintained by of the state department of public safety are classified as private, pursuant to section 13.02, subdivision 12 data:*

(1) medical data on driving instructors, licensed drivers, and applicants for parking certificates and special license plates issued to physically handicapped persons; and

(2) social security numbers in driver's license and motor vehicle registration records, except that social security numbers must be provided to the department of revenue for purposes of tax administration.

(b) The following government data collected and maintained by of the state department of public safety are classified as confidential, pursuant to section 13.02, subdivision 3 data: data concerning an individual's driving ability when that data is received from a member of the individual's family."

Page 3, line 11, after "nonpublic" insert "data"

Page 4, after line 4, insert:

"Sec. 15. Minnesota Statutes 1988, section 60A.03, is amended by adding a subdivision to read:

Subd. 9. [CONFIDENTIALITY OF INFORMATION.] The commissioner may not be required to divulge any information obtained in the course of the supervision of insurance companies, or the examination of insurance companies, including examination related correspondence and workpapers, until the examination report is finally accepted and issued by the commissioner, and then only in the form of the final public report of examinations. This subdivision does not apply to the extent the commissioner is required or permitted by law, or ordered by a court of law to testify or produce evidence in a civil or criminal proceeding. For purposes of this subdivision, a subpoena is not an order of a court of law.

Sec. 16. Minnesota Statutes 1989 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; and (3) a health care facility licensed pursuant to this chapter or chapter 144A."

Page 4, line 19, delete "Applications" and insert "Every application"

Page 4, line 20, delete "licenses" and insert "license" and delete "applicant's"

Page 4, line 21, after "number" insert "of the applicant"

Page 4, after line 35, insert:

“Sec. 18. [626B.01] [RECORDING TELEPHONE CONVERSATIONS.]

Subdivision 1. [NOTICE OR CONSENT REQUIRED.] No person may record or cause to be recorded a telephone conversation without the consent of all parties to the conversation or a notice to all parties that the conversation is being recorded. For purposes of this subdivision, “notice” means a verbal notification that is recorded at the beginning of the call by the recording party.

Subd. 2. [EXCEPTIONS.] (a) Subdivision 1 does not apply to a fire station, law enforcement agency, ambulance service, agency operating an emergency telephone number 911 system, or any other entity with published telephone numbers for a police, fire, or medical emergency that records:

- (1) an incoming call on a published emergency telephone number; or*
- (2) an outgoing call to a number from which an incoming call on a published number was placed when necessary to obtain information required to provide requested emergency services.*

(b) Subdivision 1 does not apply to recording:

(1) by a person acting under color of law as part of a lawful investigation if the purpose of the recording is to obtain evidence of a possible violation of law or rule;

(2) by a person who receives a telephone call that is obscene, harassing, or involves threats of extortion, blackmail, bodily harm, or other criminal activity;

(3) by a licensed private detective doing investigative work for a criminal defendant if the purpose of the recording is to obtain evidence for use in a criminal defense;

(4) by a person who receives a telephone call if the caller is offering to buy or sell property, or is soliciting money or other property;

(5) by a person who receives a telephone call at the person’s residence;

(6) by a public utility under chapter 216B or a telephone company under chapter 237 for the purpose of construction, maintenance, or operation of its services and facilities; or

(7) by an employer who records telephone calls for the purpose of training or monitoring the performance of employees engaged in customer service, incoming sales calls, or telemarketing, provided that the employer destroys the recordings within 90 days and the information is used only for the purpose of evaluating employees.

(c) This subdivision does not permit interceptions that are prohibited under chapter 626A.

Sec. 19. [626B.02] [PROHIBITION OF USE AS EVIDENCE; CIVIL PROCEEDINGS.]

No part of the contents of a conversation recorded in violation of section 1 and no evidence derived from the conversation may be used by the person who violated section 18 as evidence in a civil or administrative proceeding.

Sec. 20. [626B.03] [CIVIL REMEDIES.]

A person whose conversation has been recorded in violation of section

18 may recover appropriate relief in a civil action including:

- (1) preliminary and equitable relief;*
- (2) actual damages; and*
- (3) reasonable costs and attorney fees."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete everything after "to" and insert "privacy;"

Page 1, line 6, delete everything after the semicolon

Page 1, line 7, delete everything before "amending" and insert "regulating the recording of telephone conversations;"

Page 1, line 8, after "sections" insert "13.03, subdivision 3;" and after the semicolon, insert "13.46, subdivision 4; 13.69, subdivision 1;"

Page 1, line 9, after the semicolon, insert "60A.03, by adding a subdivision;"

Page 1, line 10, after "sections" insert "13.46, subdivision 2;" and after the semicolon, insert "144.335, subdivision 1;"

Page 1, line 12, after the semicolon, insert "proposing coding for new law as Minnesota Statutes, chapter 626B;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1996: A bill for an act relating to waste management; making several technical changes to the waste management act; establishing a time period for local decision-making on siting of solid waste facilities; establishing time periods for state and metropolitan council approval of county solid waste management plans; clarifying jurisdiction of county plans; clarifying order of funding priority for grants for solid waste management projects; adjusting procedures for the creation of solid waste management districts; increasing the authority of the districts; authorizing counties to set civil penalties by ordinance for violation of designation ordinances; adding procedures and requirements for cities to meet when they organize solid waste collection; requiring a supplementary incinerator ash report; reducing time for metropolitan review of local government solid waste facility siting decisions; repealing the requirement that government agencies use degradable polyethylene bags; changing references; amending Minnesota Statutes 1988, sections 16B.61, subdivision 3a; 115A.03, subdivision 23; 115A.06, subdivisions 2, 5, 5a, 6, 8, 10, 11, 12, and 13; 115A.07, subdivisions 1 and 2; 115A.075; 115A.10; 115A.11, subdivision 1a; 115A.158, subdivision 2; 115A.191, subdivisions 1 and 2; 115A.192, subdivisions 1 and 2; 115A.193; 115A.194, subdivision 2; 115A.411, subdivision 1; 115A.46, subdivision 1, and by adding a subdivision; 115A.49; 115A.53; 115A.54, subdivision 3; 115A.64, subdivisions 2, 4, and 6; 115A.66, subdivision 3; 115A.67; 115A.86, by adding a subdivision; 115A.914; 115A.94, subdivisions 3 and 4; 115A.97, subdivision 5; 325E.045, subdivision 1; 473.823, subdivision 5, and by adding a subdivision; 473.845,

subdivision 4; 473.846; Minnesota Statutes 1989 Supplement, sections 115A.14, subdivision 4; 115A.195; 115A.54, subdivision 2a; 115A.84, subdivision 2; 115A.86, subdivision 5; 115B.04, subdivision 4; 116C.69, subdivision 3; Minnesota Statutes Second 1989 Supplement, sections 115A.072, subdivisions 1 and 4; 115A.55, subdivision 3; 115A.551, subdivisions 4 and 7; 115A.558; 115A.961, subdivisions 2 and 4; Laws 1988, chapter 685, section 42; Laws 1989, chapter 325, section 79; and chapter 335, article 1, sections 23, subdivision 4, and 269; proposing coding for new law in Minnesota Statutes, chapter 115A; repealing Minnesota Statutes 1988, sections 115A.09, subdivision 5; 115A.90, subdivision 2; 325E.045, subdivisions 3 and 4; and Laws 1987, chapter 348, section 51, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 21, delete "When" and insert "(a) If"

Page 2, line 23, delete the first "a" and insert "another" and delete "shall make a"

Page 2, delete lines 24 to 28 and insert "*must approve or disapprove the application or request by 120 days after it is received. The application or request is not considered to be received until it is completed in accordance with the requirements of applicable local ordinances.*"

(b) *If an environmental impact"*

Page 2, line 30, before the comma, insert "*for the proposed facility*" and delete "shall make a" and insert "must"

Page 2, line 31, delete "*final decision on*" and insert "*approve or disapprove*" and delete "*within 60*" and insert "*by 90*"

Page 2, line 33, delete everything after "statement" and insert ", *or the environmental assessment worksheet if an environmental impact statement is not required.*"

Page 4, line 23, after "activity" insert ", *other than an activity to reduce waste generation or reuse waste materials,*"

Page 5, line 14, after the comma, insert "*and give special consideration to*"

Page 5, line 16, after the semicolon, insert "*and*"

Page 5, line 18, strike everything after "years"

Page 5, line 19, strike the old language and delete the new language

Page 5, line 20, strike "government unit"

Page 5, line 24, before "The" insert "*Subdivision 1. [ELIGIBLE PROJECTS.]*"

Page 5, line 35, before "The" insert:

"*Subd. 2. [PRIORITY.]*"

Page 6, line 1, before "The" insert:

"*Subd. 3. [RULES.]*"

Page 7, line 10, before the first "The" insert:

"Subdivision 1. [BOARD.] (a)"

Page 7, line 12, before "Members" insert:

"(b)"

Page 7, line 13, before the second "The" insert:

"Subd. 2. [FIRST MEETING.]"

Page 7, line 17, before the second "The" insert:

"Subd. 3. [BYLAWS.] (a)"

Page 7, line 20, before "The" insert:

"(b)"

Page 7, line 21, strike "(a)" and insert "(1)"

Page 7, line 24, strike "(b)" and insert "(2)"

Page 7, line 26, strike "(c)" and insert "(3)"

Page 7, line 29, strike "(d)" and insert "(4)"

Page 7, line 32, strike "(e)" and insert "(5)"

Page 7, line 35, strike "(f)" and insert "(6)"

Page 8, line 2, strike "(g)" and insert "(7)"

Page 10, lines 1 and 18, delete "*as provided in*" and insert "*for an amendment authorized under*"

Page 10, after line 33, insert:

"Sec. 16. Minnesota Statutes 1989 Supplement, section 115A.919, is amended to read:

115A.919 [COUNTY FEE AUTHORITY.]

Subdivision 1. [FEE.] A county may impose a fee, by cubic yard of waste or its equivalent, on operators of facilities for the disposal of mixed municipal solid waste located within the county. The revenue from the fees shall be credited to the county general fund and shall be used only for landfill abatement purposes, or costs of closure, postclosure care, and response actions or for purposes of mitigating and compensating for the local risks, costs, and other adverse effects of facilities.

Waste residue from recycling facilities at which recyclable materials are separated or processed for the purpose of recycling, or from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse shall be exempt from the fee imposed by a county under this section if there is at least an 85 percent volume reduction in the solid waste processed. Before any fee is reduced, the verification procedures of section 473.843, subdivision 1, paragraph (c), must be followed and submitted to the appropriate county.

Subd. 2. [ADDITIONAL FEE.] A county may impose a fee, by cubic yard or the equivalent, for waste collected outside the county on operators of mixed municipal solid waste disposal facilities located within the county. The fee is in addition to the fee imposed under subdivision 1 and may not be more than 50 percent of the fee charged under subdivision 1. Revenue generated from the additional fee shall be credited to the county general

fund and shall be used only for the purposes listed in subdivision 1."

Page 11, line 16, strike "operating" and insert "licensed to operate" and after "services" insert "in the local government unit"

Page 11, line 36, after "persons" insert ", including persons licensed to operate solid waste collection services,"

Page 12, line 15, delete "known to be operating" and insert "licensed as of the date of the resolution of intent to operate"

Page 12, line 16, before "collector" insert "licensed"

Page 12, line 21, delete "from" and insert "after"

Page 12, line 23, delete "interested" and insert "all licensed collectors operating in the city or town who have expressed interest"

Page 12, delete line 24

Page 12, line 25, delete the first "town"

Page 12, line 26, delete "one or more" and insert "a majority" and delete "interested" and insert "licensed"

Page 12, line 27, delete ", it may then" and insert "who have expressed interest, or upon expiration of the 90 days the city or town may"

Page 12, line 32, delete "interested" and after "collectors" insert "who expressed interest"

Page 13, after line 5, insert:

"Sec. 19. Minnesota Statutes 1988, section 115A.97, subdivision 4, is amended to read:

Subd. 4. [INTERIM PROGRAM.] (a) Incinerator ash is considered special waste for an interim period which expires on the occurrence of the earliest of the following events:

(1) The United States Environmental Protection Agency establishes testing and disposal requirements for incinerator ash;

(2) The agency adopts the rules required in subdivision 3; or

(3) June 30, ~~1990~~ 1992.

(b) As a special waste incinerator ash must be stored separately from mixed municipal solid waste with adequate controls to protect the environment as provided in agency permits. For the interim period, the agency, in cooperation with generators of incinerator ash and other interested parties, shall establish a temporary program to test, monitor, and store incinerator ash. The program must include separate testing of fly ash, bottom ash, and combined ash unless the agency determines that because of physical constraints at the facility separate samples of fly ash and bottom ash cannot be reasonably obtained in which case only combined ash must be tested. Incinerator ash stored during the interim is subject to the rules adopted pursuant to subdivision 3 and to the provisions of chapter 115B."

Page 13, line 22, strike "By January 1,"

Page 13, line 23, strike "1990, the" and delete "director" and strike "shall report to the legislative"

Page 13, lines 24 to 30, strike the old language and delete the new

language

Page 13, after line 30, insert:

“Sec. 21. [115A.9995] [NEWSPAPER FEE.]

Subdivision 1. [DEFINITIONS.] (a) The definitions in this subdivision apply to this section.

(b) “Glossy” means made without newspaper fiber.

(c) “Highly calendered” means high sheen paper made with newspaper fiber.

Subd. 2. [FEE.] A person distributing newspapers must pay a fee of five cents per pound of glossy and highly calendered stock distributed in the state. The fee must be deposited in the state treasury and credited to a separate account.”

Page 14, after line 22, insert:

“Sec. 23. Minnesota Statutes 1989 Supplement, section 116.41, subdivision 2, is amended to read:

Subd. 2. [TRAINING AND CERTIFICATION PROGRAMS.] The agency ~~shall~~ may develop standards of competence for persons operating and inspecting various classes of ~~disposal~~ waste management facilities. The agency ~~shall~~ may conduct training programs for persons operating waste management facilities for the disposal of waste and for inspectors of such facilities, and may charge such fees as are necessary to cover the actual costs of the training programs. All fees received shall be paid into the state treasury and credited to the pollution control agency training account and are appropriated to the agency to pay expenses relating to the training of ~~disposal~~ waste management facility personnel.

The agency ~~shall~~ may require operators and inspectors of such facilities to obtain from the agency a certificate of competence. The agency ~~shall~~ may conduct examinations to test the competence of applicants for certification, and shall require that certificates be renewed at reasonable intervals. The agency may charge such fees as are necessary to cover the actual costs of receiving and processing applications, conducting examinations, and issuing and renewing certificates. Certificates shall not be required for a private individual for landspreading and associated interim and temporary storage of sewage sludge on property owned or farmed by that individual.”

Page 16, after line 23, insert:

“Sec. 26. Minnesota Statutes 1988, section 400.08, subdivision 1, is amended to read:

Subdivision 1. [DEFINITION.] For purposes of this section, “solid waste management services” includes *recycling and waste reduction services*, collection, processing, and disposal of solid waste, closure and postclosure care of a solid waste facility, and response, as defined in section 115B.02, to releases from a solid waste facility or closed solid waste facility.

Sec. 27. Minnesota Statutes 1988, section 400.08, subdivision 3, is amended to read:

Subd. 3. [SERVICE CHARGES.] The county may establish by ordinance, revise when deemed advisable, and collect just and reasonable rates and charges for solid waste management services provided by the county or by

others under contract with the county. The ordinance may obligate the owners, lessees, or occupants of property, or any or all of them, to pay charges for solid waste management services to their properties and may obligate the user of any facility to pay a reasonable charge for the use of the facility. Rates and charges may take into account the character, kind, and quality of the service and of the solid waste, the method of disposition, the number of people served at each place of collection, and all other factors that enter into the cost of the service, including but not limited to depreciation and payment of principal and interest on money borrowed by the county for the acquisition or betterment of facilities. A notice of intention to enact an ordinance, published pursuant to section 375.51, subdivision 2, shall provide for a public hearing prior to the meeting at which the ordinance is to be considered.

Sec. 28. Minnesota Statutes 1988, section 473.811, subdivision 3, is amended to read:

Subd. 3. [COUNTY OPERATION OF FACILITIES.] Each metropolitan county may operate and maintain solid waste facilities, and for this purpose may employ all necessary personnel, may adopt regulations governing operation, and may establish and collect reasonable, nondiscriminatory rates and charges for the use of the facilities by any local government unit or person, estimated to be sufficient, with any other moneys appropriated for the purpose, to pay all costs of acquisition, operation and maintenance. Each metropolitan county may use itself or sell all or any part of materials or energy recovered from solid waste to private interests or public agencies for consumption or reuse by them. Section 471.345 and Laws 1951, chapter 556, as amended shall not apply to the sale of the materials or energy.

Sec. 29. Minnesota Statutes 1988, section 473.811, is amended by adding a subdivision to read:

Subd. 12. [ONLY COUNCIL, COUNTY, AND AGENCY APPROVAL REQUIRED FOR CERTAIN SITES.] No local government unit shall prevent the establishment, operation, or expansion of a solid waste disposal facility that has approval of the metropolitan council to expand before December 31, 1989, and has received approval of the pollution control agency and the county where the facility is located, except that with the approval of the metropolitan council, the local government unit may impose reasonable conditions respecting the construction, inspection, monitoring, and maintenance of a facility."

Page 17, line 25, strike the second "and" and insert a comma

Page 17, line 26, after "procedure" insert ", and criteria"

Page 17, line 28, strike the second "and" and insert a comma and after "procedure" insert ", and criteria"

Page 19, after line 7, insert:

"Sec. 32. Minnesota Statutes 1988, section 473.833, is amended by adding a subdivision to read:

Subd. 2c. [BUFFER AREA.] The buffer area must ensure, at a minimum, protection of surrounding land uses from adverse or incompatible impacts due to landfill operations and related activities. Related activities that the buffer area must protect against include but are not limited to stockpiling of materials, soil modification operations, and landfill borrow operations."

Page 19, line 10, before "COMMISSION" insert "*EXPENDITURE NOTIFICATION AND*" and before "The" insert "(a)"

Page 19, line 13, before the second "The" insert:

"(b)"

Page 19, after line 30, insert:

"Sec. 35. Laws 1987, First Special Session chapter 5, section 1, is amended to read:

Section 1. [WINONA COUNTY SOLID WASTE GRANT.]

The waste management board shall disburse the local project grant awarded to Winona county under Laws 1985, First Special Session chapter 15, section 6, pending issuance of the necessary state permits. If the permits are issued and Winona county abandons the project, Winona county must repay the grant to the state. If the permits are not issued and the project is abandoned *or if the city of Winona files a resolution with the Winona county board to assume authority and responsibility for mixed municipal solid waste processing and disposal under Minnesota Statutes, section 115A.465, by September 1, 1990*, neither the state nor Winona county need reimburse the other for its costs incurred. *No forgiveness of the grant repayment shall be granted until all issues as determined by the director of the office of waste management have been resolved.*

Sec. 36. Laws 1989, chapter 325, section 72, subdivision 2, is amended to read:

Subd. 2. [SOLID WASTE ASH PROJECT; REPORT.] The Hennepin county board and the commissioner of transportation shall jointly conduct a demonstration project to determine the long-term potential and effects of using solid waste ash as an aggregate in asphalt for use in road projects. The commissioners of transportation and the pollution control agency shall assess the practicality, costs, and potential effects of the use of the ash in asphalt and shall submit a report to the legislative commission on waste management by May 1, ~~1990~~ 1991. The report must include a description of the projects undertaken, findings, and recommendations for the future research needs and future use of ash in asphalt.

Sec. 37. Laws 1989, chapter 325, section 75, is amended to read:

Sec. 75. [USE OF GREATER MINNESOTA LANDFILL CLEANUP FEE UNTIL JULY 1, 1990.]

Notwithstanding section 21, subdivisions 2 and 3, and section 22, the entire amount of the fee imposed under section 21, subdivision 1, until July 1, 1990, shall be paid by the operator of facilities to the county *or the sanitary district* where the facilities are located. The fees received by the counties may be spent only as provided in Minnesota Statutes, section 115A.919."

Page 22, after line 11, insert:

"Sec. 42. [POLITICAL SUBDIVISION DISPOSAL MANAGEMENT OPTION IN WINONA COUNTY.]

Subdivision 1. [OPTION FOR POLITICAL SUBDIVISION JURISDICTION.] (a) After Winona county has adopted a solid waste management plan that has been signed as approved by the director, the county may

allow political subdivisions to elect to have their own authority and responsibility for processing and disposal of mixed municipal solid waste. To provide the option for a political subdivision the county board must adopt a resolution:

(1) giving the political subdivision the option of receiving authority and responsibility for processing and disposal of mixed municipal solid waste; and

(2) recognizing that if the political subdivision chooses to receive authority and responsibility for mixed municipal solid waste disposal, the county will amend its plan to reflect the loss of the authority and responsibility for the political subdivision.

(b) The county must file the resolution with the governing body of the political subdivision. Within 60 days after receiving the county resolution the political subdivision may adopt a resolution and file it with the county that resolves to assume authority and responsibility for processing and disposal of mixed municipal solid waste generated within the political subdivision as provided in this section. The assumption of authority and responsibility for processing and disposal of mixed municipal solid waste is effective 60 days after the political subdivision's resolution is filed with the county board.

Subd. 2. [ASSUMPTION OF SOLID WASTE DISPOSAL AUTHORITY.]

(a) A political subdivision that assumes authority and responsibility for processing and disposal of mixed municipal solid waste under subdivision 1 must submit a plan to the director covering the duties required of counties for mixed municipal solid waste under this chapter. The political subdivision is responsible for processing and disposal of mixed municipal solid waste generated within the political subdivision including making provision for processing and disposal facilities and, notwithstanding other law, may not use mixed municipal solid waste disposal or processing facilities of the county except by mutual agreement with the county. The assumption of mixed municipal solid waste processing and disposal authority and responsibility is flow control for the political subdivision to direct its mixed municipal solid waste to processing and disposal facilities other than those owned or operated by the county except by mutual agreement. The county may license persons transferring mixed municipal solid waste to the county facilities and may prohibit acceptance of mixed municipal solid waste generated within a political subdivision that has assumed authority and responsibility for mixed municipal solid waste processing and disposal unless there is a mutual agreement with the political subdivision.

(b) The assumption of mixed municipal solid waste processing and disposal authority and responsibility by a political subdivision shall be construed as a binding agreement for the political subdivision to provide mixed municipal solid waste processing and disposal for the political subdivision without any obligation by the county to provide assistance from the county, including the use of county facilities.

Sec. 43. [RESOURCE RECOVERY FACILITY STUDY.]

(a) The pollution control agency, with cooperation from the office of waste management and the department of health, shall undertake a comprehensive study of the individual and cumulative effects of all currently permitted mixed municipal solid waste incineration and refuse-derived fuel facilities on ambient air quality, water supply, water quality, and natural

resources.

(b) *The study must make recommendations for frequency of testing, and determine which substances or criteria for substances should be added to the list in Minnesota Statutes, section 116.07, subdivision 4j, paragraph (d).*

(c) *The agency may contract with others for all or portions of the study. Each permitted facility shall provide the agency or its designee access to the facility for activities related to the study and to all facility records related to the study.*

(d) *The agency shall complete the study and submit a report of its findings, together with any recommendations for legislative action, to the legislative commission on waste management and the legislative committees on the environment and natural resources by June 1, 1993.*

Sec. 44. [USE OF THE GREATER MINNESOTA LANDFILL CLEANUP FEE UNTIL JULY 1, 1991.]

The operator of a facility shall pay the fee required under Minnesota Statutes, section 115A.923, subdivision 1, to the county or sanitary district where the facility is located until July 1, 1991.

By October 1, 1990, each county or sanitary district that collects the required fee shall pay three percent out of the revenue generated by the fee during the first quarter of collection to the department of revenue for deposit in the general fund of the state.

The remainder of the fees received by the county or sanitary district may not be spent but must be held in trust by the county until July 1, 1991, after which date the county or sanitary district may spend the funds generated by the fee for the purposes specified in Minnesota Statutes, section 115A.919. Funds held in trust by a county under this section may be used on behalf of public and private landfill owners to partially comply with the financial assurance rules adopted under Minnesota Statutes, section 116.07, subdivision 4h, subject to the approval of the commissioner of the pollution control agency. If the funds are used for contingency action costs the county shall replace those funds during the next fiscal year.

Sec. 45. [STUDY; FINANCIAL ASSURANCE ASSISTANCE MECHANISM.]

The legislative commission on waste management, in coordination with counties, organization of counties, state agencies, and other interested parties, shall develop and evaluate a possible mechanism or mechanisms to assist public and private landfill owners and operators to comply with the contingency action requirements of the financial assurance rules adopted under Minnesota Statutes, section 116.07, subdivision 4h. The assistance mechanisms identified may include use of the fees collected under section 37.

Development and evaluation of possible assistance mechanisms must include at least:

- (1) how each mechanism should be structured;*
- (2) what facilities and costs should be assisted by each mechanism;*
- (3) how each mechanism should be funded and administered;*
- (4) how each mechanism should be coordinated with the environmental*

response and liability act, Minnesota Statutes, chapter 115B; and

(5) how and to what extent each mechanism would assist owners and operators of landfills to comply with the financial assurance rules.

The commission shall report its findings and make any applicable recommendations for legislative action by December 31, 1990.

Sec. 46. [REPORT ON INCINERATOR ASH.]

By January 1, 1990, the director shall report to the legislative commission on waste management on the proposal goals and timetables with recommendations for their implementation and, by November 15, 1991, shall submit to the legislative commission on waste management a supplementary report that, at a minimum, assesses the nature of the incinerator ash produced in the state and progress made in removal of problem materials and noncombustibles from the waste stream.

Sec. 47. [APPROPRIATION.]

The amount of the newspaper fee in the separate account under section 21 is appropriated to the director of the office of waste management for payment to counties under Laws 1989, chapter

§ is appropriated from the general fund to the pollution control agency for the purpose of conducting the study required in section 43.

§ is appropriated from the general fund to the legislative commission on waste management for the purposes of conducting the study required in section 46."

Page 22, line 14, after the semicolon, insert "Minnesota Statutes 1989 Supplement, sections 115A.922; 115A.923, subdivisions 2, 3, 4, and 5; 115A.924; 115A.925; 115A.927; and 115A.928;"

Page 22, delete lines 21 and 22 and insert:

"Sections 2, 3, 5, 6, 8, 9, 13 to 15, 19, 22, 24 to 26, 30, 31, 35, 36, 38 to 42, and 48 are effective the day following final enactment. Sections 16, 23, 27 to 29, 32, 37, and 43 are effective July 1, 1990."

Page 37, line 7, before "council" insert "metropolitan"

Page 37, line 8, after "or" insert "metropolitan"

Page 38, line 5, before "Upon" insert "(a)"

Page 38, line 8, before "If" insert:

"(b)"

Page 38, line 11, before "If" insert:

"(c)"

Page 38, line 21, before "If" insert:

"(d)"

Page 39, line 3, before "After" insert "(a)"

Page 39, line 8, before "If" insert:

"(b)"

Page 39, line 20, before "If" insert:

“(c)”

Page 40, line 4, before “If” insert “(a)”

Page 40, line 13, strike the period and insert “and”

Page 40, line 16, before “If” insert:

“(b)”

Page 40, line 18, before “If” insert:

“(c)”

Page 42, line 34, delete everything after “to” and insert “115A.30”

Page 42, line 35, delete “115A.291”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 13, after the semicolon, insert “authorizing additional county fees on in-county disposal of out-of-county solid waste;”

Page 1, line 16, after the semicolon, insert “delaying the date for incinerator ash to be considered special waste; establishing a fee on certain paper stock in newspapers; providing waste management training and certification programs; authorizing counties to charge property owners, lessees, and occupants for solid waste management services; authorizing metropolitan counties to charge reasonable rates for solid waste facilities; restricting the authority of certain local governments to prevent establishment, operation, or expansion of solid waste disposal facilities; providing buffer areas around landfill operations; extending the solid waste ash project report; authorizing sanitary districts to use the greater Minnesota landfill cleanup fee; specifying use of the greater Minnesota landfill fee; providing a landfill compliance and financial assurance study; authorizing Winona county to give political subdivisions the authority to accept responsibility for managing their solid waste; amending provisions for forgiving a grant to Winona county; directing a resource recovery facility study to be conducted;”

Page 1, line 32, delete “subdivision” and insert “subdivisions 4 and”

Page 1, line 33, after the semicolon, insert “400.08, subdivisions 1 and 3; 473.811, subdivision 3, and by adding a subdivision;”

Page 1, line 34, after the first semicolon, insert “473.833, by adding a subdivision;”

Page 1, line 37, after “5;” insert “115A.919;”

Page 1, line 38, after the first semicolon, insert “116.41, subdivision 2;”

Page 1, line 42, after the semicolon, insert “Laws 1987, First Special Session chapter 5, section 1;”

Page 1, line 43, delete “section” and insert “sections 72, subdivision 2; and”

Page 2, line 2, before the second “and” insert “Minnesota Statutes 1989 Supplement, sections 115A.922; 115A.923, subdivisions 2 to 5; 115A.924; 115A.925; 115A.927; 115A.928;”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1847: A bill for an act relating to human rights; amending definitions of public accommodation, age, and familial status; clarifying medical information obtainable from prospective employees; clarifying protection for pregnant employees; prohibiting threats against home owners and renters; adding familial status as a protected class in employment; prohibiting discriminatory business practices; clarifying the meaning of business necessity and continuing violations; renumbering definitions; amending Minnesota Statutes 1988, sections 363.01, subdivisions 18 and 28; 363.03, subdivisions 2, 8a, and by adding a subdivision; 363.06, subdivision 1, and by adding a subdivision; 363.11; and 363.116; Minnesota Statutes 1989 Supplement, sections 363.01, subdivision 31; 363.02, subdivision 1; and 363.03, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 363.01, subdivision 28, is amended to read:

Subd. 28. [AGE.] ~~“Age” insofar as it refers to any prohibited unfair employment or education practice shall be deemed to protect only those individuals~~ *The prohibition against unfair employment or education practices based on age prohibits using a person's age as a basis for a decision if the person is over the age of majority except for section 363.03, subdivision 5 which shall be deemed to protect any individual over the age of 25 years.*

Sec. 2. Minnesota Statutes 1989 Supplement, section 363.02, subdivision 1, is amended to read:

Subdivision 1. [EMPLOYMENT.] The provisions of section 363.03, subdivision 1, shall not apply to:

(1) The employment of any individual

(a) by the individual's parent, grandparent, spouse, child, or grandchild, or

(b) in the domestic service of any person;

(2) A religious or fraternal corporation, association, or society, with respect to qualifications based on religion, when religion shall be a bona fide occupational qualification for employment;

(3) The employment of one person in place of another, standing by itself, shall not be evidence of an unfair discriminatory practice;

(4) The operation of a bona fide seniority system which mandates differences in such things as wages, hiring priorities, layoff priorities, vacation credit, and job assignments based on seniority, so long as the operation of the system is not a subterfuge to evade the provisions of this chapter;

(5) With respect to age discrimination, a practice by which a labor organization or employer offers or supplies varying insurance benefits or other fringe benefits to members or employees of differing ages, so long as the cost to the labor organization or employer for the benefits is reasonably equivalent for all members or employees;

(6) A restriction imposed by state statute, home rule charter, ordinance, or civil service rule, and applied uniformly and without exception to all individuals, which establishes a maximum age for entry into employment as a peace officer or firefighter.

(7) Nothing in this chapter concerning age discrimination shall be construed to validate or permit age requirements which have a disproportionate impact on persons of any class otherwise protected by section 363.03, subdivision 1 or 5.

(8) It is not an unfair employment practice for an employer, employment agency, or labor organization:

(i) to require or request a person to undergo physical examination, which may include a medical history, for the purpose of determining the person's capability to perform available employment, provided

(a) that an offer of employment has been made on condition that the person meets the physical or mental requirements of the job, *except that a law enforcement agency filling a peace officer position or part-time peace officer position may require or request an applicant to undergo psychological evaluation before a job offer is made provided that the psychological evaluation is for those job-related abilities set forth by the board of peace officer standards and training for psychological evaluations and is otherwise lawful;*

(b) that the examination tests only for essential job-related abilities; and

(c) that the examination except for examinations authorized under chapter 176 is required of all persons conditionally offered employment for the same position regardless of disability; or

(ii) with the consent of the employee, *after employment has commenced, to obtain additional medical information for the purposes of ~~establishing an employee health record~~ assessing continuing ability to perform the job or employee health insurance eligibility; for purposes mandated by local, state, or federal law; for purposes of assessing the need to reasonably accommodate an employee or obtaining information to determine eligibility for the second injury fund under chapter 79A; or pursuant to sections 181.950 to 181.957; or other legitimate business reason not otherwise prohibited by law;*

(iii) to administer preemployment tests, provided that the tests (a) measure only essential job-related abilities, (b) are required of all applicants for the same position regardless of disability except for tests authorized under chapter 176, and (c) accurately measure the applicant's aptitude, achievement level, or whatever factors they purport to measure rather than reflecting the applicant's impaired sensory, manual, or speaking skills except when those skills are the factors that the tests purport to measure; or

(iv) to limit receipt of benefits payable under a fringe benefit plan for disabilities to that period of time which a licensed physician reasonably determines a person is unable to work; or

(v) to provide special safety considerations for pregnant women involved in tasks which are potentially hazardous to the health of the unborn child, as determined by medical criteria.

Sec. 3. Minnesota Statutes 1989 Supplement, 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.

Sec. 4. Minnesota Statutes 1988, section 363.03, subdivision 2, is amended to read:

Subd. 2. [REAL PROPERTY.] It is an unfair discriminatory practice:

(1) For an owner, lessee, sublessee, assignee, or managing agent of, or other person having the right to sell, rent or lease any real property, or any agent of any of these:

(a) to refuse to sell, rent, or lease or otherwise deny to or withhold from any person or group of persons any real property because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status; or

(b) to discriminate against any person or group of persons because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status in the terms, conditions or privileges of the sale, rental or lease of any real property or in the furnishing of facilities or services in connection therewith, except that nothing in this clause shall be construed to prohibit the adoption of reasonable rules intended to protect the safety of minors in their use of the real property or any facilities or services furnished in connection therewith; or

(c) in any transaction involving real property, to print, circulate or post or cause to be printed, circulated, or posted any advertisement or sign, or use any form of application for the purchase, rental or lease of real property, or make any record or inquiry in connection with the prospective purchase, rental, or lease of real property which expresses, directly or indirectly, any limitation, specification, or discrimination as to race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status, or any intent to make any such limitation, specification, or discrimination except that nothing in this clause shall be construed to prohibit the advertisement of a dwelling unit as available to adults-only if the person placing the advertisement reasonably believes that the provisions of this subdivision prohibiting discrimination because of familial status do not apply to the dwelling unit.

(2) For a real estate broker, real estate salesperson, or employee, or agent thereof:

(a) to refuse to sell, rent, or lease or to offer for sale, rental, or lease any real property to any person or group of persons or to negotiate for the sale, rental, or lease of any real property to any person or group of persons because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status or represent that real property is not available for inspection, sale, rental, or lease when in fact it is so available, or otherwise deny or withhold any real property or any facilities of real property to or from any person or group

of persons because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status; or

(b) to discriminate against any person because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status in the terms, conditions or privileges of the sale, rental or lease of real property or in the furnishing of facilities or services in connection therewith; or

(c) to print, circulate, or post or cause to be printed, circulated, or posted any advertisement or sign, or use any form of application for the purchase, rental, or lease of any real property or make any record or inquiry in connection with the prospective purchase, rental or lease of any real property, which expresses directly or indirectly, any limitation, specification or discrimination as to race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status or any intent to make any such limitation, specification, or discrimination except that nothing in this clause shall be construed to prohibit the advertisement of a dwelling unit as available to adults-only if the person placing the advertisement reasonably believes that the provisions of this subdivision prohibiting discrimination because of familial status do not apply to the dwelling unit.

(3) For a person, bank, banking organization, mortgage company, insurance company, or other financial institution or lender to whom application is made for financial assistance for the purchase, lease, acquisition, construction, rehabilitation, repair or maintenance of any real property or any agent or employee thereof:

(a) to discriminate against any person or group of persons because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status of the person or group of persons or of the prospective occupants or tenants of the real property in the granting, withholding, extending, modifying or renewing, or in the rates, terms, conditions, or privileges of the financial assistance or in the extension of services in connection therewith; or

(b) to use any form of application for the financial assistance or make any record or inquiry in connection with applications for the financial assistance which expresses, directly or indirectly, any limitation, specification, or discrimination as to race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status or any intent to make any such limitation, specification, or discrimination; or

(c) to discriminate against any person or group of persons who desire to purchase, lease, acquire, construct, rehabilitate, repair, or maintain real property in a specific urban or rural area or any part thereof solely because of the social, economic, or environmental conditions of the area in the granting, withholding, extending, modifying, or renewing, or in the rates, terms, conditions, or privileges of the financial assistance or in the extension of services in connection therewith.

(4) For any real estate broker or real estate salesperson, for the purpose of inducing a real property transaction from which the person, the person's firm, or any of its members may benefit financially, to represent that a change has occurred or will or may occur in the composition with respect

to race, creed, color, national origin, sex, marital status, status with regard to public assistance, or disability of the owners or occupants in the block, neighborhood, or area in which the real property is located, and to represent, directly or indirectly, that this change will or may result in undesirable consequences in the block, neighborhood, or area in which the real property is located, including but not limited to the lowering of property values, an increase in criminal or antisocial behavior, or a decline in the quality of schools or other public facilities.

(5) For a person to deny a totally or partially blind, physically handicapped, or deaf person with a service dog full and equal access to real property provided for in this section. The person may not be required to pay extra compensation for the service dog but is liable for damage done to the premises by the service dog.

(6) For a person to coerce, intimidate, threaten, or interfere with a person in the exercise or enjoyment of, or on account of that person having exercised or enjoyed, or on account of that person having aided or encouraged a third person in the exercise or enjoyment of, any right granted or protected by this subdivision.

Notwithstanding the provisions of any law, ordinance, or home rule charter to the contrary, no person shall be deemed to have committed an unfair discriminatory practice based upon age if the unfair discriminatory practice alleged is attempted or accomplished for the purpose of obtaining or maintaining one of the exemptions provided for a dwelling unit provided for in section 363.02, subdivision 2.

Sec. 5. Minnesota Statutes 1988, section 363.03, subdivision 8a, is amended to read:

Subd. 8a. [BUSINESS; ~~SEX DISCRIMINATION.~~] It is an unfair discriminatory practice for a person engaged in a trade or business or in the provision of a service:

(a) to refuse to do business with or provide a service to a woman based on her use of her current or former surname-; or

~~It is an unfair discriminatory practice for a person~~ (b) to impose, as a condition of doing business with or providing a service to a woman, that a woman use her current surname rather than a former surname-; or

(c) *intentionally to refuse to do business with, to refuse to contract with, or to discriminate in the basic terms, conditions, or performance of the contract because of a person's race, color, sex, or disability, unless the alleged refusal or discrimination is because of a legitimate business purpose.*

Nothing in this subdivision shall prohibit positive action plans.

Sec. 6. Minnesota Statutes 1988, section 363.03, is amended by adding a subdivision to read:

Subd. 11. [DISPARATE IMPACT CASES.] *If the complaining party has met its burden of showing that an employment practice is responsible for a statistically significant adverse impact on a particular class of persons protected by section 363.03, subdivision 1, clause (2), an employer must justify that practice by demonstrating that the practice is manifestly related to the job or significantly furthers an important business purpose. Upon establishment of this justification, the charging party may prevail upon demonstration of the existence of a comparably effective practice that the*

court finds would cause a significantly lesser adverse impact on the identified protected class.

Sec. 7. Minnesota Statutes 1988, section 363.06, subdivision 1, is amended to read:

Subdivision 1. [ACTIONS.] Any person aggrieved by a violation of this chapter may bring a civil action as provided in section 363.14, subdivision 1, clause (a), or may file a verified charge with the commissioner or the commissioner's designated agent. A charge filed with the commissioner must be in writing on a form provided by the commissioner and signed by the charging party. The charge must state the name of the person alleged to have committed an unfair discriminatory practice and set out a summary of the details of the practice complained of. The commissioner may require a charging party to provide the address of the person alleged to have committed the unfair discriminatory practice, names of witnesses, documents, and any other information necessary to process the charge. The commissioner may dismiss a charge when the charging party fails to provide required information. The commissioner within ten days of the filing shall serve a copy of the charge and a form for use in responding to the charge upon the respondent personally or by mail. The respondent shall file with the department a written response *setting out a summary of the details of the respondent's position relative to the charge* within 20 days of receipt of the charge. If the respondent fails to respond *with a written summary of the details of the respondent's position* within 30 days after service of the charge, and service was consistent with rule 4 of the rules of civil procedure, the commissioner, on behalf of the complaining party, may bring an action for default in district court pursuant to rule 55.01 of the rules of civil procedure.

Sec. 8. Minnesota Statutes 1988, section 363.06, is amended by adding a subdivision to read:

Subd. 3a. For purposes of subdivision 3, the first application of an unfair discriminatory practice, employment policy, or seniority system to a new person establishes a basis for the filing of a claim by that person.

Sec. 9. Minnesota Statutes 1988, section 363.11, is amended to read:

363.11 [CONSTRUCTION.]

(a) The provisions of this chapter shall be construed liberally for the accomplishment of the purposes thereof. Nothing contained in this chapter shall be deemed to repeal any of the provisions of the civil rights law or of any other law of this state relating to discrimination because of race, creed, color, religion, sex, age, disability, marital status, status with regard to public assistance or national origin or familial status; but, as to acts declared unfair by sections 363.03 and 363.123, the procedure herein provided shall, while pending, be exclusive.

(b) *An action under this chapter is not precluded because a claim or action has arisen under common law or any other statute.*

(c) *Paragraph (b) applies only to the extent that total damages are not awarded in excess of actual, common law or other statutory damages allowed.*

Sec. 10. Minnesota Statutes 1988, section 363.116, is amended to read:

363.116 [TRANSFER TO COMMISSIONER.]

A local commission may refer a matter under its jurisdiction to the commissioner.

The charging party has the option of filing a charge either with a local commission or the department. Notwithstanding the provisions of any ordinance or resolution to the contrary, a charge may be filed with a local commission within ~~300 days~~ *one year* after the occurrence of the practice. The exercise of such choice in filing a charge with one agency shall preclude the option of filing the same charge with the other agency. At the time a charge comes to the attention of a local agency, the agency or its representative shall inform the charging party of this option, and of the party's rights under Laws 1967, chapter 897.

Where this chapter provides additional protections and remedies not provided for under a local antidiscrimination ordinance, the local commission shall advise a party bringing a charge under a local ordinance of those additional protections and remedies and of the option to file a charge under this chapter.

The term "local commission" as used in this section has the same meaning given the term in section 363.115.

Sec. 11. [INSTRUCTION TO REVISOR.]

In the next edition of Minnesota Statutes, the revisor of statutes shall alphabetize the definitions in Minnesota Statutes, section 363.01, and make all appropriate cross-reference changes in Minnesota Statutes and Minnesota Rules."

Delete the title and insert:

"A bill for an act relating to human rights; amending the definition of age; clarifying medical information obtainable from prospective employees; clarifying protection for pregnant employees; prohibiting threats against home owners and renters; prohibiting discriminatory business practices; clarifying the meaning of business necessity and continuing violations; renumbering definitions; amending Minnesota Statutes 1988, sections 363.01, subdivision 28; 363.03, subdivisions 2, 8a, and by adding a subdivision; 363.06, subdivision 1, and by adding a subdivision; 363.11; 363.116; Minnesota Statutes 1989 Supplement, sections 363.02, subdivision 1; and 363.03, subdivision 1."

And when so amended the bill do pass. Mr. Knaak questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 2204: A bill for an act relating to human services; establishing requirements, procedures, and incentives for child support and medical support enforcement; appropriating money; amending Minnesota Statutes 1988, sections 171.07, subdivision 1a; 518.551, subdivisions 1 and 5; 518.611, subdivisions 1, 2, 8, 8a, and by adding a subdivision; 518C.02, by adding subdivisions; 518C.03; 518C.05; 518C.09; 518C.12; 518C.27, subdivision 1; and Minnesota Statutes 1989 Supplement, sections 256.74, subdivision 1; 257.57, subdivision 1; 518.551, subdivision 10; 518.611, subdivision 4; 518.613, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 256.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete section 1

Page 7, delete lines 1 to 3

Page 7, line 21, after "majority" insert "*or one year after the presumed father knows or reasonably should have known of the birth of the child, whichever is earlier*"

Page 7, after line 24, insert:

"Sec. 4. Minnesota Statutes 1988, section 518.54, is amended by adding a subdivision to read:

Subd. 2a. [DEPOSIT ACCOUNT.] "Deposit account" means funds deposited with a financial institution in the form of a savings account, checking account, NOW account, or demand deposit account.

Sec. 5. Minnesota Statutes 1988, section 518.54, is amended by adding a subdivision to read:

Subd. 2b. [FINANCIAL INSTITUTION.] "Financial institution" means a savings association, bank, trust company, credit union, industrial loan and thrift company, bank and trust company, or building and loan association, and includes a branch or detached facility of a financial institution."

Pages 14 and 15, delete section 10 and insert:

"Sec. 11. Minnesota Statutes 1988, section 518.611, is amended by adding a subdivision to read:

Subd. 2a. [PREAUTHORIZED TRANSFERS FROM OBLIGOR ACCOUNTS.] In any case where income withholding is ineffective due to the obligor's method of obtaining income, the court shall order the obligor to identify a child support deposit account owned solely by the obligor, or to establish an account, in a financial institution located in this state for the purpose of depositing court-ordered child support payments. The court shall order the obligor to execute an agreement with the appropriate public authority authorizing preauthorized transfers from the obligor's child support deposit account payable to an account of the public authority responsible for child support enforcement. The court shall order the obligor to disclose to the court all deposit accounts owned by the obligor in whole or in part in any financial institution. The court may order the obligor to disclose to the court the opening or closing of any deposit account owned in whole or in part by the obligor within 30 days of the opening or closing. The court may order the obligor to execute an agreement with the appropriate public authority authorizing preauthorized transfers from any deposit account owned in whole or in part by the obligor to the obligor's child support deposit account if necessary to satisfy court-ordered child support payments. The court may order a financial institution to disclose to the court the account number and any other account identification information regarding accounts owned in whole or in part by the obligor. An obligor who, without prior court approval, fails to comply with this section, fails to deposit funds in at least one deposit account sufficient to pay court-ordered child support, or stops payment or revokes authorization of any preauthorized transfer is subject to contempt of court procedures under chapter 588."

Page 15, lines 22 and 28, delete "holder of funds" and insert "financial

institution”

Page 15, lines 25 and 26, delete the new language and insert *“In the case of a financial institution, preauthorized transfers must occur in accordance with a court-ordered payment schedule.”*

Page 15, line 27, delete everything before “An”

Page 16, lines 1 to 5, delete the new language and insert *“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.”*

Page 16, line 13, reinstate the stricken language and delete the new language

Page 16, line 14, delete the new language

Page 16, line 15, after the period, insert *“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.”*

Page 18, line 32, after the period, insert *“A Minnesota court may order that judgment be entered for a child support arrearage owed under an order of another state or order that payments be made toward an arrearage or existing judgment regardless of whether the matter is before the court on a petition or by registration.”*

Page 21, after line 15, insert:

“Sec. 23. [CHILD SUPPORT JUDGMENT BY OPERATION OF LAW; RETROACTIVE APPLICATION.]

Minnesota Statutes, section 548.091, subdivision 1a, applies retroactively to any child support arrearage that accrued before August 1, 1988, except that no arrearage may be docketed under Minnesota Statutes, section 548.091, subdivision 2a, if the arrearage is more than ten years past due at the time of docketing.”

Page 21, line 19, delete “3” and insert “2”

Page 21, line 24, delete “2 and 7” and insert “1 and 8”

Page 21, line 25, delete “3” and insert “2” and delete “4” and insert “3”

Page 21, line 27, before the period, insert *“, except that section 3 does not bar an action by a presumed father who discovered the birth of the child within two years before the effective date of section 3 if the action is brought within one year after the effective date”*

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 5 and 6, delete “171.07, subdivision 1a” and insert “518.54, by adding subdivisions”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 1725: A bill for an act relating to the environment; changing the fund balances required to impose the fee and the collection period of the fee; changing the terms for reimbursement of petroleum tank release costs by the petroleum tank release compensation board; providing certain tank facilities and refineries are ineligible for reimbursement; appropriating money reimbursed to state agencies; amending Minnesota Statutes 1988, sections 115C.02, by adding subdivisions; 115C.08, subdivision 2; Minnesota Statutes 1989 Supplement, sections 115C.08, subdivision 5; and 115C.09, subdivision 3, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, lines 5 to 7, delete the new language and insert "*A reimbursement to a state agency must be credited to the appropriation account or accounts from which the reimbursed costs were paid.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 2429: A bill for an act relating to independent school district No. 316, Coleraine; independent school district No. 381, Lake Superior; independent school district No. 695, Chisholm; independent school district No. 696, Ely; independent school district No. 697, Eveleth; independent school district No. 699, Gilbert; independent school district No. 707, Nett Lake; and independent school district No. 710, St. Louis county; authorizing issuance of bonds.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 11, insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 298.28, subdivision 4, is amended to read:

Subd. 4. [SCHOOL DISTRICTS.] (a) 27.5 cents per taxable ton plus the increase provided in paragraph (d) must be allocated to qualifying school districts to be distributed, based upon the certification of the commissioner of revenue, under paragraphs (b) and (c).

(b) 5.5 cents per taxable ton must be distributed to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The distribution must be based on the apportionment formula prescribed in subdivision 2.

(c)(i) 22 cents per taxable ton, less any amount distributed under paragraph (e), shall be distributed to a group of school districts comprised of those school districts in which the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 in direct proportion to school district indexes as follows: for each school district, its pupil units determined under section 124.17 for the prior school year shall be multiplied by the ratio of the average adjusted net tax capacity per pupil unit for school districts receiving aid under this clause as calculated pursuant to chapter 124A for the school

year ending prior to distribution to the adjusted net tax capacity per pupil unit of the district. Each district shall receive that portion of the distribution which its index bears to the sum of the indices for all school districts that receive the distributions.

(ii) Notwithstanding clause (i), each school district that receives a distribution under sections 298.018; 298.23 to 298.28, exclusive of any amount received under this clause; 298.34 to 298.39; 298.391 to 298.396; 298.405; or any law imposing a tax on severed mineral values that is less than the amount of its levy reduction under section 275.125, subdivision 9, for the second year prior to the year of the distribution shall receive a distribution equal to the difference; the amount necessary to make this payment shall be derived from proportionate reductions in the initial distribution to other school districts under clause (i).

(d) On July 15, in years prior to 1988, an amount equal to the increase derived by increasing the amount determined by paragraph (c) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in paragraph (c) where a levy increase pursuant to section 124A.03, subdivision 2, is authorized by referendum, according to the following formula. On July 15, 1988, the increase over the amount established for 1987 shall be determined as if there had been an increase in the tax rate under section 298.24, subdivision 1, paragraph (b), according to the increase in the implicit price deflator. On July 15, 1989, and subsequent years, the increase over the amount established for the prior year shall be determined according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1, paragraph (a). Each district shall receive the product of:

(i) ~~\$150~~ ~~\$175~~ times the pupil units identified in section 124.17, subdivision 1, enrolled in the second previous year or the 1983-1984 school year, whichever is greater, less the product of 0.04231 percent times the district's taxable market value in the second previous year; times

(ii) the lesser of:

(A) one, or

(B) the ratio of the amount certified pursuant to section 124A.03, subdivision 2, in the previous year, to the product of 0.04231 percent times the district's taxable market value in the second previous year.

If the total amount provided by paragraph (d) is insufficient to make the payments herein required then the entitlement of ~~\$150~~ ~~\$175~~ per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to paragraph (d) shall not be applied to reduce general education aid which the district receives pursuant to section 124A.23 or the permissible levies of the district. Any amount remaining after the payments provided in this paragraph shall be paid to the commissioner of iron range resources and rehabilitation who shall deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection trust fund as provided in subdivision 11.

(e) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975."

Page 1, line 13, delete "NETT LAKE" and insert "BABBITT"

Page 1, line 25, delete "and"

Page 1, line 27, after "\$1,000,000" insert "; and independent school district No. 692, Babbitt, may issue bonds in an aggregate principal amount not exceeding \$500,000"

Page 2, delete lines 1 and 2

Page 2, line 4, delete "\$1,500,000" and insert "\$1,750,000"

Page 4, line 15, delete "707" and insert "692"

Page 4, after line 19, insert:

"Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective for production years 1989 and thereafter, taxes payable in 1990 and thereafter. Section 2 is effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "to" insert "education finance; providing for distribution of taconite production tax proceeds to school districts; authorizing issuance of bonds by"

Page 1, line 8, delete "707, Nett Lake" and insert "692, Babbitt"

Page 1, delete line 10 and insert "amending Minnesota Statutes 1989 Supplement, section 298.28, subdivision 4."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 2174: A bill for an act relating to public lands; providing payments in lieu of taxes for certain federal land leased to the state; amending Minnesota Statutes 1988, section 477A.11, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 19, insert:

"Sec. 2. Minnesota Statutes 1988, section 477A.13, is amended to read: 477A.13 [TIME OF PAYMENT, DEDUCTIONS.]

Payments to the counties shall be made from the general fund during the month of July of the year next following certification. There shall be deducted from amounts paid any amounts paid to a county or township during the preceding year pursuant to sections 89.036, 97A.061, subdivisions 1 and 2, and 272.68, subdivision 3 with respect to the lands certified pursuant to section 477A.12.

~~Payments under section 477A.12 must also be reduced by the following percentages of the amounts paid during the preceding year under section 84A.51:~~

~~(1) for the payment made July 15, 1984, 75 percent;~~

- (2) for the payment made July 15, 1985, 50 percent;
 (3) for the payment made July 15, 1986, 25 percent; and
 (4) for the payment made thereafter, 0 percent.”

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 4, delete “section” and insert “sections”

Page 1, line 5, after “4” insert “; and 477A.13”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 2188: A bill for an act relating to children; creating a legislative commission on children; providing improved procedures to protect the safety and welfare of abused and neglected children; providing for more permanent placements of children in need of protection or services; improving data practices; including mental injuries and threatened injuries as abuse to be reported as maltreatment of minors; increasing penalties for assault against a child when there is a past pattern of child abuse; increasing the penalty for malicious child punishment resulting in great bodily harm; increasing the penalty for assaulting a child protection worker who is performing lawful duties; excluding persons convicted of child abuse or criminal sexual conduct seeking employment in juvenile corrections from certain protections for criminal offenders; appropriating money; amending Minnesota Statutes 1988, sections 147.09; 260.011, subdivision 2; 260.155, subdivision 1; 609.2231, by adding a subdivision; 626.556, subdivisions 1, 3, and by adding a subdivision; 626.559, subdivision 2; Minnesota Statutes 1989 Supplement, sections 245A.04, subdivision 3; 260.015, subdivision 2a; 260.161, subdivision 2; 260.171, subdivision 4; 260.191, subdivision 1; 260.221, subdivision 1; 364.09; 609.223; 609.377; 626.556, subdivisions 2, 10e, and 11; and 626.558, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 3; 144; 147; 148; 245; 260; and 626.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, delete section 3

Page 4, delete section 5

Page 8, line 13, after the period, insert “*In proceedings involving an American Indian child, as defined in section 257.351, subdivision 6, the best interests of the child must be determined consistent with sections 257.35 to 257.3579.*”

Pages 9 to 11, delete section 9

Page 11, lines 16 and 18, before the comma, insert “*and petitions for termination of parental rights*”

Page 11, line 19, delete “*only*” and insert “*nor*” and delete “*if*” and insert “*more than one week unless*”

Pages 14 to 20, delete sections 13 to 16

Page 21, lines 21 to 26, delete the new language

Page 22, after line 12, insert:

“(i) the parent has been diagnosed as chemically dependent by a professional certified to make the diagnosis;”

Page 22, line 13, delete *“(i)”* and insert *“(ii)”*

Page 22, line 15, delete *“(ii)”* and insert *“(iii)”* and after *“failed”* insert *“two or more times”*

Page 22, line 16, delete *“two or more times”* and after *“refused”* insert *“two or more times”*

Page 22, line 17, delete *“the”* and insert *“a culturally and linguistically appropriate”*

Page 22, line 18, delete *“(iii)”* and insert *“(iv)”*

Page 22, after line 28, insert:

“In an action involving an American Indian child, sections 257.35 to 257.3579 control to the extent that the provisions of this section are inconsistent with those laws.”

Page 23, delete section 20

Page 24, after line 10, insert:

“Sec. 14. Minnesota Statutes 1988, section 609.379, subdivision 2, is amended to read:

Subd. 2. [APPLICABILITY.] This section applies to sections 260.315, 609.255, 609.376, ~~609.377~~, 609.378, and 626.556.”

Page 24, line 34, delete the new language

Page 24, line 35, after *“subjection”* insert *“of a child”*

Page 25, line 5, after the period, insert *“Sexual abuse includes threatened sexual abuse.”*

Page 27, line 1, delete *“which”* and insert *“that”*

Page 29, line 5, delete *“section 23”* and insert *“section 16”*

Page 33, line 21, after the period, insert *“The commissioner also shall consult with the task force established under section 27.”*

Page 34, line 6, after the comma, insert *“guardian ad litem programs, the task force established under section 27,”*

Page 36, after line 24, insert:

“Sec. 28. [ALTERNATIVE DISPOSITIONS STUDY.]

The department of human services shall report and make recommendations regarding the use of permanency planning and alternative dispositions for children who are placed in out-of-home care, cannot be returned to their families, and for whom termination of parental rights is not in the child's best interest. The department shall consult with a multidisciplinary task force, including representatives of the Minnesota Indian affairs council, the council on Black Minnesotans, the council on affairs of Spanish-speaking people, the council on Asian-Pacific Minnesotans, public and private agencies, guardians ad litem, the judiciary, attorneys representing all parties in juvenile court proceedings, and community advocates. The department shall report and make recommendations to the legislature by

January 7, 1991."

Page 36, line 34, delete "30" and insert "23"

Page 37, line 14, delete "34" and insert "27"

Page 37, line 16, delete "19, 20, and 21" and insert "12, 13, and 14"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete everything after the semicolon

Page 1, delete line 6

Page 1, line 7, delete "services;"

Page 1, line 13, delete everything after the semicolon

Page 1, delete line 14

Page 1, line 15, delete "duties;"

Page 1, line 20, delete everything after the second semicolon

Page 1, line 21, delete "subdivision" and insert "609.379, subdivision 2"

Page 1, line 24, delete "260.015, subdivision 2a;"

Page 1, line 25, delete "260.191,"

Page 1, line 26, delete the first "subdivision 1;"

Page 1, line 29, delete "147;"

Page 1, line 30, delete "148;" and delete "260;"

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was referred

H.F. No. 2059: A bill for an act relating to education; permitting special school district No. 1 to remodel the Aviation Training Center with federal funds.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1 and insert:

"Section 1. [AIR TRAFFIC CONTROL TRAINING.]

The commissioner of transportation is the state agent for the Mid-American Aviation Resource Consortium. The commissioner may receive federal money due the consortium for air traffic control training. Federal money received is appropriated to the commissioner, who may pay it to the state board of vocational technical education, to remodel space as necessary to provide instruction of air traffic controllers in the Aviation Training Center at Flying Cloud Airport, as well as to provide the instruction. The total cost of the remodeling project may not be more than \$800,000, to be paid entirely from federal money."

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "designating the commissioner of transportation as agent for the Mid-American Aviation Resource Consortium;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1873, 2134, 2400, 2089, 2200, 1725, 2429 and 2174 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. No. 2059 was read the second time.

MOTIONS AND RESOLUTIONS

Mr. Davis introduced—

Senate Resolution No. 168: A Senate resolution congratulating the Elk River High School Girls Basketball Team for being Runner-up in the 1990 Class AA State High School Girls Basketball Tournament.

Referred to the Committee on Rules and Administration.

Mr. Bertram introduced—

Senate Resolution No. 169: A Senate resolution supporting the efforts of the volunteers working to build a Minnesota Vietnam Veterans Memorial.

Referred to the Committee on Rules and Administration.

Mr. Ramstad and Ms. Olson introduced—

Senate Resolution No. 170: A Senate resolution congratulating the Minnetonka Boys Swimming and Diving Team for winning the 1990 State High School Boys Swimming and Diving Championship.

Referred to the Committee on Rules and Administration.

Mr. Cohen moved that S.F. No. 2571, No. 30 on General Orders, be stricken and returned to its author. The motion prevailed.

Mr. Stumpf moved that his name be stricken as chief author, shown as a co-author and the name of Mr. Peterson, R.W. be added as a chief author to S.F. No. 1898. The motion prevailed.

Mr. Marty moved that the name of Mr. Dahl be added as a co-author to S.F. No. 2006. The motion prevailed.

Mr. DeCramer moved that S.F. No. 1663 be taken from the table. The motion prevailed.

S.F. No. 1663: A bill for an act relating to Redwood and Lyon counties; abandoning judicial ditch number 37.

CONCURRENCE AND REPASSAGE

Mr. DeCramer moved that the Senate concur in the amendments by the House to S.F. No. 1663 and that the bill be placed on its repassage as

amended. The motion prevailed.

S.F. No. 1663: A bill for an act relating to local government; abandoning judicial ditch number 17 in Redwood and Lyon counties; authorizing the Faribault county local redevelopment agency board to have nine members.

Was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 54 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Hughes	McGowan	Ramstad
Anderson	Davis	Johnson, D.E.	McQuaid	Reichgott
Beckman	Decker	Knaak	Mehrkens	Renneke
Benson	DeCramer	Knutson	Merriam	Samuelson
Berg	Dicklich	Kroening	Moe, R.D.	Schmitz
Berglin	Diessner	Langseth	Morse	Spear
Bernhagen	Flynn	Lantry	Novak	Storm
Bertram	Frank	Larson	Olson	Stumpf
Brandl	Frederick	Lessard	Pehler	Vickerman
Brataas	Frederickson, D.J.	Luther	Piepho	Waldorf
Chmielewski	Frederickson, D.R.	Marty	Piper	

Mr. Dahl voted in the negative.

So the bill, as amended, was repassed and its title was agreed to.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Ramstad introduced—

S.F. No. 2610: A bill for an act relating to metropolitan transit; requiring, authorizing, and encouraging assistance to private providers of public transit; amending Minnesota Statutes 1988, section 473.375, subdivision 4; Minnesota Statutes 1989 Supplement, sections 473.375, subdivision 13; and 473.385, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 473.

Referred to the Committee on Transportation.

Mr. Kroening introduced—

S.F. No. 2611: A bill for an act relating to veterans; authorizing certain veterans to receive state educational assistance; amending Minnesota Statutes 1988, section 197.75, subdivision 2.

Referred to the Committee on Veterans and Military Affairs.

Messrs. Johnson, D.J.; Dicklich and Lessard introduced—

S.F. No. 2612: A bill for an act relating to taxation; providing for valuation and property taxation of certain minerals and mining property; exempting

clay from the net proceeds tax; providing for the deduction from the net proceeds tax of certain reclamation costs; changing the computation of the production tax for concentrates produced in 1990; amending Minnesota Statutes 1988, sections 272.03, subdivision 1; 273.1104, subdivision 1; 298.015, subdivision 1; 298.017; 298.05; and 298.24, subdivision 1; repealing Minnesota Statutes 1988, section 273.02, subdivision 4; Minnesota Statutes 1989 Supplement, section 273.02, subdivisions 5 and 6.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Samuelson and Lessard introduced—

S.F. No. 2613: A bill for an act relating to environment; requiring a bond before challenging a permit or rule of the department of natural resources or the pollution control agency; amending Minnesota Statutes 1988, sections 84.027, by adding a subdivision; and 116.07, by adding a subdivision.

Referred to the Committee on Finance.

MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2064 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2064: A bill for an act relating to commercial transactions; adopting an article of the uniform commercial code that governs funds transfers; amending Minnesota Statutes 1989 Supplement, section 336.1-105; proposing coding for new law in Minnesota Statutes, chapter 336.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Knaak	McQuaid	Ramstad
Anderson	Davis	Knutson	Mehrkens	Reichgott
Beckman	Decker	Kroening	Merriam	Renneke
Benson	DeCramer	Laidig	Moe, R.D.	Samuelson
Berglin	Dicklich	Langseth	Morse	Schmitz
Bernhagen	Flynn	Lantry	Novak	Solon
Bertram	Frank	Larson	Olson	Spear
Brandl	Frederick	Lessard	Pariseau	Storm
Brataas	Frederickson, D.R.	Luther	Pehler	Stumpf
Chmielewski	Hughes	Marty	Piepho	Vickerman
Cohen	Johnson, D.E.	McGowan	Piper	Waldorf

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2421 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2421: A bill for an act relating to elections; presidential primary; changing the primary date; providing procedures for conducting the primary; changing the requirements for being a candidate at the primary; allowing voters to prefer uncommitted delegates; allowing write-in votes; providing for voter receipt of ballots; eliminating the provision that the primary winner is the party's endorsed candidate; changing the apportionment of party delegates; requiring provision of certain information to interested persons; amending Minnesota Statutes 1988, sections 204B.06, by adding a subdivision; 204B.11, subdivision 2; Minnesota Statutes 1989 Supplement, sections 207A.01; 207A.02; 207A.03; 207A.04; and 207A.06, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 207A; repealing Minnesota Statutes 1989 Supplement, section 207A.05.

Mr. Johnson, D.J. moved to amend S.F. No. 2421 as follows:

Page 1, after line 19, insert:

"Section 1. Minnesota Statutes 1988, section 201.091, subdivision 1, is amended to read:

Subdivision 1. [PRECINCT LIST.] Each county auditor shall prepare and maintain a current list of the duplicate registration cards, which list shall be known as the precinct list. It shall show the name and residence address of each voter registered in the precinct, *but shall not include the voter's party choice provided when voting in a presidential primary*. The telephone number shall be included on the list if provided by the voter."

Page 7, delete section 9

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 43, as follows:

Those who voted in the affirmative were:

Berg	DeCramer	Johnson, D.J.	Merriam	Stumpf
Bertram	Dicklich	Knutson	Peterson, R.W.	Waldorf
Chmielewski	Frank	Langseth	Samuelson	
Davis	Gustafson	Lessard	Schmitz	

Those who voted in the negative were:

Adkins	Dahl	Johnson, D.E.	McQuaid	Piper
Anderson	Decker	Knaak	Mehrkens	Ramstad
Beckman	Diessner	Kroening	Moe, R.D.	Reichgott
Benson	Flynn	Laidig	Morse	Renneke
Berglin	Frederick	Lantry	Novak	Spear
Bernhagen	Frederickson, D.J.	Larson	Olson	Storm
Brandl	Frederickson, D.R.	Luther	Pariseau	Vickerman
Brataas	Freeman	Marty	Pehler	
Cohen	Hughes	McGowan	Piepho	

The motion did not prevail. So the amendment was not adopted.

Mr. Johnson, D.E. moved to amend S.F. No. 2421 as follows:

Page 2, after line 22, insert:

"Sec. 3. Minnesota Statutes 1988, section 204D.03, subdivision 1, is

amended to read:

Subdivision 1. [STATE PRIMARY.] The state primary shall be held on the first Tuesday after the second Monday in ~~September~~ *June* in each even-numbered year to select the nominees of the major political parties for partisan offices and the nominees for nonpartisan offices to be filled at the state general election, other than presidential electors."

Page 7, line 29, before "Minnesota" insert "Minnesota Statutes 1988, sections 202A.14; 202A.15, subdivision 1; 202A.16; 202A.17; 202A.18; and" and delete "section" and insert "sections" and delete ", is" and insert "and 202A.15, subdivision 2, are"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion did not prevail. So the amendment was not adopted.

S.F. No. 2421 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 9, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.E.	McQuaid	Pogemiller
Anderson	Decker	Knaak	Mehrken.	Ramstad
Beckman	DeCramer	Knutson	Moe, R.D.	Reichgott
Benson	Diessner	Kroening	Morse	Renneke
Berglin	Flynn	Laidig	Novak	Schmitz
Bernhagen	Frederick	Langseth	Olson	Spear
Bertram	Frederickson, D.J.	Lantry	Pariseau	Storm
Brandl	Frederickson, D.R.	Larson	Pehler	Stumpf
Brataas	Freeman	Luther	Peterson, R.W.	Vickerman
Cohen	Gustafson	Marty	Piepho	
Dahl	Hughes	McGowan	Piper	

Those who voted in the negative were:

Berg	Dicklich	Johnson, D.J.	Merriam	Waldorf
Chmielewski	Frank	Lessard	Samuelson	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Freeman moved that S.F. No. 1945 be withdrawn from the Committee on Taxes and Tax Laws and re-referred to the Committee on Finance. The motion prevailed.

MEMBERS EXCUSED

Messrs. Belanger and Purfeerst were excused from the Session of today. Mr. DeCramer was excused from the Session of today from 12:00 noon to 2:30 p.m. Mr. Luther was excused from the Session of today from 12:00 noon to 1:00 p.m. Ms. Reichgott was excused from the Session of today from 3:00 to 3:30 p.m. Mr. Metzen was excused from the Session of today at 3:30 p.m. Mr. Johnson, D.J. was excused from the Session of today from 3:30 to 4:00 p.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Friday, March 23, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTY-SIXTH DAY

St. Paul, Minnesota, Friday, March 23, 1990

The Senate met at 12:00 noon and was called to order by the President.

CALL OF THE SENATE

Mr. Dicklich imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Marva Jean Hutchens.

The roll was called, and the following Senators answered to their names:

Adkins	Decker	Knaak	Metzen	Reichgott
Anderson	DeCramer	Knutson	Moe, D.M.	Renneke
Beckman	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	
Davis	Johnson, D.J.	Merriam	Ramstad	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

March 22, 1990

The Honorable Robert E. Vanasek
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 1990 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 1990	Date Filed 1990
1947		357	1544 hours March 21	March 22

Sincerely,
Joan Anderson Growe
Secretary of State

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1087: A bill for an act relating to landlord and tenant relations; providing standing for certain associations to bring an action for tenant remedies; providing for actions against certain unoccupied buildings; amending Minnesota Statutes 1988, sections 504.23; 566.18, subdivision 7, and by adding a subdivision; 566.19; 566.20, subdivision 1; 566.25; 566.28; and 566.29, subdivisions 1, 3, and 4.

Senate File No. 1087 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 22, 1990

Mr. Moe, R.D. moved that S.F. No. 1087 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 2480, 2457, 2124, 2147, 2350, 2637, 2704, 1977, 2462, 2151, 2401, 2025, 2393 and 2626.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 22, 1990

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 2480: A bill for an act relating to taxation; making technical corrections and administrative changes to property, sales and use, motor vehicle excise, income, franchise, insurance, petroleum products, pull-tab and tipboard taxes, firefighter state aids, and property tax refunds; making technical corrections and administrative changes to certain aids to local government; including lottery prizes as refunds in the revenue recapture act; providing for posting of certain tax delinquencies; requiring a social security number on certain probate applications; imposing a tax on untaxed pull-tabs and tipboards; recodifying license inquiry provisions; providing

for payment and settlement of state elections campaign funds to political party state committees; transferring certain powers and duties; recodifying and providing for tax administrative, enforcement, and collection procedures; imposing penalties; amending Minnesota Statutes 1988, sections 60A.198, by adding a subdivision; 69.771, subdivision 3; 69.772, subdivision 2a; 69.774, subdivision 1; 116K.04, subdivision 4; 270.65; 270.67, subdivisions 1 and 2; 270.68, subdivisions 1 and 3; 270.69, subdivisions 2, 3, 7, 8, and by adding a subdivision; 270.70, subdivision 1; 270A.03, subdivision 7; 274.01, subdivision 1; 275.54; 287.21, subdivision 2; 290.05, subdivision 4; 290.17, subdivision 5; 290.39, subdivision 5; 290.49, subdivision 3; 290.92, subdivisions 6a, 12, 23, and 24; 290.93, subdivision 1; 290A.03, subdivision 3; 290A.04, subdivision 1; 290A.07, subdivision 3; 290A.19; 296.06, subdivision 2; 296.18, subdivisions 2 and 3; 296.25; 297A.01, subdivision 8; 297A.03, subdivision 2; 297A.04I; 297A.14, subdivision 1; 297A.18; 297A.211, subdivision 3; 297A.25, subdivision 31; 297A.255, by adding a subdivision; 297B.035, subdivision 1; 299F21, subdivision 1; 349.212, by adding a subdivision; 477A.011, by adding a subdivision; 524.3-1001; 524.3-301; Minnesota Statutes 1989 Supplement, sections 38.18; 50.14, subdivision 4; 69.021, subdivision 6; 110.70; 118.12; 163.04, subdivision 3; 163.06, subdivision 6; 165.10, subdivision 1; 168.013, subdivision 5; 168A.10, subdivision 1; 270.06; 270.73, subdivision 1; 270B.07, by adding a subdivision; 272.16; 273.01; 273.11, subdivision 1; 290.39, subdivision 4; 290.92, subdivision 4c; 290.9201, subdivisions 7 and 8; 290.9705, subdivision 4; 297A.17; 365.025, subdivision 4; 368.01, subdivision 23; 368.44; 368.47; 370.01; 383.06; 385.31; 386.34; 412.081, subdivision 1; 412.221, subdivision 2; 430.102, subdivision 2; 465.04; 469.177, subdivision 1a; 471.24; 471.73; 475.58, subdivision 2; 475.73, subdivision 1; 477A.011, subdivision 15; 505.173, subdivision 1; Minnesota Statutes Second 1989 Supplement, sections 10A.31, subdivision 5; 60A.15, subdivision 1; 273.13, subdivision 25; 273.1391, subdivision 2; 273.1398, subdivision 1, 2, 5a, and 6; 274.14; 274.175; 275.07, subdivision 3; 275.50, subdivision 5; 275.51, subdivisions 3f, 3h, and 6; 287.29, subdivision 1; 290.17, subdivision 2; 290A.04, subdivisions 2h and 2i; 290A.07, subdivision 2a; 349.212, subdivision 4; 373.40, subdivision 1; 473F08, subdivision 8a; 477A.012, subdivision 3; 477A.013, subdivision 3; Laws 1989, chapter 28, section 24; and Laws 1989, First Special Session chapter 1, articles 3, section 35; and 9, section 86; proposing coding for new law in Minnesota Statutes, chapters 270 and 289A; repealing Minnesota Statutes 1988, sections 270.08; 270.10, subdivision 4; 270.651; 272.70; 290.05, subdivision 5; 290.067, subdivision 5; 290.23, subdivision 15; 290.281, subdivision 5; 290.29; 290.37, as amended; 290.39, as amended; 290.391; 290.40; 290.41; 290.42; 290.43; 290.44; 290.45; 290.46; 290.47; 290.49; 290.50, as amended; 290.52; 290.521; 290.522; 290.523, as amended; 290.53, subdivisions 1, 1a, 2, 2a, 3, 3a, 4, 5, 7, 8, 9, 10, and 11; 290.54; 290.56; 290.57; 290.58; 290.59; 290.611, subdivision 5; 290.612; 290.65; 290.92, subdivisions 6, 7, 8, 11, 13, 14, 15, and 18; 290.9201, subdivisions 4, 5, 9, and 10; 290.923, subdivision 7; 290.93; 290.931; 290.932; 290.933; 290.934, as amended; 290.935; 290.936; 290.9705, subdivision 2; 290.974; 290A.06; 290A.11, subdivisions 1, 2, 3, and 4; 290A.111; 290A.112, as amended; 290A.12; 291.09; 291.11; 291.131; 291.14; 291.15, subdivisions 1 and 3; 291.215, subdivisions 2 and 3; 291.31, subdivisions 1 and 2; 291.32; 296.027; 296.16, subdivision 3; 296.17, subdivision 13; 296.18, subdivisions 3a and 7; 296.24; 297A.08; 297A.121; 297A.15, subdivision 3; 297A.26, subdivisions 1 and 4; 297A.27; 297A.275; 297A.29; 297A.30; 297A.31; 297A.32; 297A.33, subdivisions

1, 3, 4, and 5; 297A.34; 297A.35; 297A.37; 297A.39, subdivisions 1, 2, 2a, 3, 4, 5, 7, and 8; 297A.40; 297A.41, 297A.42; 297A.431; 297A.44, subdivision 2; Minnesota Statutes 1989 Supplement, sections 290A.11, subdivision 1a; and 297A.20; Minnesota Statutes Second 1989 Supplement, sections 270.77 and 290.38; Minnesota Rules, parts 8052.0100; 8052.0200; and 8130.7800.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 2457: A bill for an act relating to public financing; allocating authority to issue tax exempt revenue bonds; restricting loans from proceeds of mortgage revenue bonds under certain circumstances; amending Minnesota Statutes 1988, sections 474A.02, subdivisions 6, 8, and by adding a subdivision; 474A.03; 474A.061, subdivision 3, and by adding subdivisions; 474A.091, subdivisions 1, 4, and 5; 474A.131, subdivision 2; and 474A.14; Minnesota Statutes 1989 Supplement, section 290.01, subdivision 19a; Minnesota Statutes Second 1989 Supplement, sections 474A.061, subdivisions 1 and 4; and 474A.091, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 474A; repealing Minnesota Statutes 1988, sections 474A.081, subdivisions 1, 2, and 4; and 474A.091, subdivision 4a; Minnesota Statutes Second 1989 Supplement, section 474A.061, subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 2124: A bill for an act relating to traffic regulations; changing allowed dimensions of travel trailers; requiring brakes on certain vehicles weighing 3,000 pounds or more; amending Minnesota Statutes 1988, section 169.67, subdivision 3; Minnesota Statutes 1989 Supplement, sections 168.011, subdivision 8; and 169.67, subdivision 4.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2074, now on Special Orders.

H.F. No. 2147: A bill for an act relating to retirement; establishing a maximum monthly benefit for the surviving spouse and dependent children of basic pension plan members; amending Minnesota Statutes 1988, section 353.31, subdivision 1.

Referred to the Committee on Governmental Operations.

H.F. No. 2350: A bill for an act relating to natural resources; authorizing the commissioner to designate agents to sell state park permits; amending Minnesota Statutes 1988, section 85.053, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2408, now on Special Orders.

H.F. No. 2637: A bill for an act relating to insurance; clarifying the law prohibiting insurers from maintaining subrogation actions against insureds; amending Minnesota Statutes 1989 Supplement, section 60A.41.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2514, now on Special Orders.

H.F. No. 2704: A bill for an act relating to commerce; removing a real estate licensing prohibition; amending Minnesota Statutes 1988, section 82.20, subdivision 4.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2403, now on Special Orders.

H.F. No. 1977: A bill for an act relating to veterans; providing for an executive director appointed by the veterans homes board; amending Minnesota Statutes 1988, section 198.004.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1880, now on Special Orders.

H.F. No. 2462: A bill for an act relating to state government; regulating administrative procedures; including a statement of purpose; requiring agencies to send the LCRAR copies of statements of need and reasonableness; requiring an agency to provide notice of the hearing to those who requested it; making various technical changes; amending Minnesota Statutes 1988, sections 14.03; 14.131; 14.23; and 14.25; Minnesota Statutes 1989 Supplement, section 14.02, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 14.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2252, now on Special Orders.

H.F. No. 2151: A resolution memorializing the President and Congress of the United States to maintain the federal subsidy for federal crop insurance.

Referred to the Committee on Agriculture and Rural Development.

H.F. No. 2401: A bill for an act relating to traffic regulations; establishing penalties for driving past railroad crossing warning devices and flaggers; providing for instruction in railroad crossing safety at driver improvement clinics; establishing standards and procedures for closing a railroad crossing; imposing penalties; amending Minnesota Statutes 1988, sections 169.26; and 169.973, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 219; repealing Minnesota Statutes 1988, sections 219.27 and 219.28.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2400, now on General Orders.

H.F. No. 2025: A bill for an act relating to agriculture; creating a restricted seed potato growing area and historic certified seed potato area; providing restrictions; requiring a study; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 21.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1982, now on General Orders.

H.F. No. 2393: A bill for an act relating to consumer protection; regulating automatic garage door systems in residential buildings; providing standards; providing penalties and remedies; amending Minnesota Statutes 1989 Supplement, section 16B.61, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 325F.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2261, now on General Orders.

H.F. No. 2626: A bill for an act relating to retirement; making various changes concerning reserves, coverage, contribution, and administration for the state board of investment, the Minnesota state retirement system, the public employees retirement association, and the Duluth teachers retirement fund association; clarifying certain provisions; changing administrative requirements; amending Minnesota Statutes 1988, sections 11A.18, subdivision 6; 352.01, subdivision 13; 352.029, subdivision 3; 352.03,

subdivision 1; 352.115, subdivision 7; 352.96, subdivision 4; 353.03, subdivision 3; 353.15, subdivision 2; 353.27, subdivisions 7 and 10; 353.46, subdivision 4; 353.657, subdivision 1; and 353.83; Minnesota Statutes 1989 Supplement, sections 352.021, subdivision 5; 352.93, subdivision 3; 353.01, subdivisions 2b, 11a, and 16; 353.33, subdivision 6; 353.35; and 353.656, subdivisions 1 and 3; repealing Minnesota Statutes 1989 Supplement, section 353.87, subdivision 5.

Referred to the Committee on Governmental Operations.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2500 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				2500	2129

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2500 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2500 and insert the language after the enacting clause of S.F. No. 2129, the first engrossment; further, delete the title of H.F. No. 2500 and insert the title of S.F. No. 2129, the first engrossment.

And when so amended H.F. No. 2500 will be identical to S.F. No. 2129, and further recommends that H.F. No. 2500 be given its second reading and substituted for S.F. No. 2129, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1918 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1918	2205				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1918 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1918 and insert the language after the enacting clause of S.F. No. 2205, the first

engrossment; further, delete the title of H.F. No. 1918 and insert the title of S.F. No. 2205, the first engrossment.

And when so amended H.F. No. 1918 will be identical to S.F. No. 2205, and further recommends that H.F. No. 1918 be given its second reading and substituted for S.F. No. 2205, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1960 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1960	1706				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1960 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1960 and insert the language after the enacting clause of S.F. No. 1706, the first engrossment; further, delete the title of H.F. No. 1960 and insert the title of S.F. No. 1706, the first engrossment.

And when so amended H.F. No. 1960 will be identical to S.F. No. 1706, and further recommends that H.F. No. 1960 be given its second reading and substituted for S.F. No. 1706, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2084 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2084	1986				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2156 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2156	2517				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1673 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1673	1507				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1673 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1673 and insert the language after the enacting clause of S.F. No. 1507, the first engrossment; further, delete the title of H.F. No. 1673 and insert the title of S.F. No. 1507, the first engrossment.

And when so amended H.F. No. 1673 will be identical to S.F. No. 1507, and further recommends that H.F. No. 1673 be given its second reading and substituted for S.F. No. 1507, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2131 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2131	2175				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2131 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2131 and insert the language after the enacting clause of S.F. No. 2175, the second engrossment; further, delete the title of H.F. No. 2131 and insert the title of S.F. No. 2175, the second engrossment.

And when so amended H.F. No. 2131 will be identical to S.F. No. 2175, and further recommends that H.F. No. 2131 be given its second reading and substituted for S.F. No. 2175, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2056 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2056	1916				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2056 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2056 and insert the language after the enacting clause of S.F. No. 1916, the first engrossment; further, delete the title of H.F. No. 2056 and insert the title of S.F. No. 1916, the first engrossment.

And when so amended H.F. No. 2056 will be identical to S.F. No. 1916, and further recommends that H.F. No. 2056 be given its second reading and substituted for S.F. No. 1916, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1913 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1913	2241				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1913 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1913 and insert the language after the enacting clause of S.F. No. 2241, the first engrossment; further, delete the title of H.F. No. 1913 and insert the title of S.F. No. 2241, the first engrossment.

And when so amended H.F. No. 1913 will be identical to S.F. No. 2241, and further recommends that H.F. No. 1913 be given its second reading and substituted for S.F. No. 2241, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1952 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1952	1843				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1952 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1952 and insert the language after the enacting clause of S.F. No. 1843, the first engrossment; further, delete the title of H.F. No. 1952 and insert the title of S.F. No. 1843, the first engrossment.

And when so amended H.F. No. 1952 will be identical to S.F. No. 1843, and further recommends that H.F. No. 1952 be given its second reading and substituted for S.F. No. 1843, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2343 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2343	2536				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2343 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2343 and insert the language after the enacting clause of S.F. No. 2536, the second engrossment; further, delete the title of H.F. No. 2343 and insert the title of S.F. No. 2536, the second engrossment.

And when so amended H.F. No. 2343 will be identical to S.F. No. 2536, and further recommends that H.F. No. 2343 be given its second reading and substituted for S.F. No. 2536, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1928 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1928	2149				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1928 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1928 and insert the language after the enacting clause of S.F. No. 2149, the first engrossment; further, delete the title of H.F. No. 1928 and insert the title of S.F. No. 2149, the first engrossment.

And when so amended H.F. No. 1928 will be identical to S.F. No. 2149, and further recommends that H.F. No. 1928 be given its second reading and substituted for S.F. No. 2149, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2374 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2374	1889				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2374 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2374 and insert the language after the enacting clause of S.F. No. 1889; further, delete the title of H.F. No. 2374 and insert the title of S.F. No. 1889.

And when so amended H.F. No. 2374 will be identical to S.F. No. 1889, and further recommends that H.F. No. 2374 be given its second reading and substituted for S.F. No. 1889, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

SECOND READING OF HOUSE BILLS

H.F. Nos. 2500, 1918, 1960, 2084, 2156, 1673, 2131, 2056, 1913, 1952, 2343, 1928 and 2374 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Luther moved that the name of Mr. Laidig be added as a co-author to S.F. No. 2421. The motion prevailed.

Mrs. Adkins moved that S.F. No. 2075, No. 19 on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1859 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1859: A bill for an act relating to transportation; exempting volunteer drivers of private passenger vehicles from certain passenger service rules of the commissioner of transportation; amending Minnesota Statutes 1989 Supplement, section 221.031, subdivision 3a.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.E.	Mehrkens	Purfeerst
Anderson	DeCramer	Johnson, D.J.	Metzen	Ramstad
Beckman	Dicklich	Knaak	Moe, R.D.	Reichgott
Benson	Diessner	Kroening	Morse	Renneke
Berg	Flynn	Laidig	Novak	Samuelson
Bernhagen	Frank	Lantry	Olson	Spear
Bertram	Frederick	Larson	Pariseau	Storm
Brandl	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brataas	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Cohen	Freeman	Marty	Piepho	Waldorf
Dahl	Gustafson	McGowan	Piper	
Davis	Hughes	McQuaid	Pogemiller	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2349 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2349: A bill for an act relating to insurance; no-fault automobile; regulating uninsured and underinsured motorist coverages for motorcycles; amending Minnesota Statutes 1989 Supplement, section 65B.49, subdivision 3a.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	McQuaid	Pogemiller
Anderson	Davis	Johnson, D.J.	Mehrkens	Purfeerst
Beckman	Decker	Knaak	Merriam	Ramstad
Benson	DeCramer	Kroening	Metzen	Reichgott
Berg	Dicklich	Laidig	Moe, R. D.	Renneke
Berglin	Flynn	Langseth	Morse	Samuelson
Bernhagen	Frank	Lantry	Olson	Schmitz
Bertram	Frederick	Larson	Pariseau	Spear
Brandl	Frederickson, D.J.	Lessard	Pehler	Storm
Brataas	Frederickson, D.R.	Luther	Peterson, R. W.	Stumpf
Chmielewski	Gustafson	Marty	Piepho	Vickerman
Cohen	Hughes	McGowan	Piper	Waldorf

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2521 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2521: A bill for an act relating to health care; increasing the membership of the health care access commission; amending Minnesota Statutes 1989 Supplement, section 62J.02, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Knaak	Morse	Samuelson
Anderson	Davis	Kroening	Novak	Schmitz
Beckman	Decker	Laidig	Pariseau	Solon
Benson	DeCramer	Lantry	Pehler	Spear
Berg	Diessner	Lessard	Peterson, R. W.	Storm
Berglin	Flynn	Luther	Piepho	Stumpf
Bernhagen	Frank	Marty	Piper	Vickerman
Bertram	Frederickson, D.R.	McGowan	Pogemiller	Waldorf
Brandl	Freeman	McQuaid	Purfeerst	
Brataas	Gustafson	Mehrkens	Ramstad	
Chmielewski	Johnson, D.E.	Metzen	Reichgott	
Cohen	Johnson, D.J.	Moe, R. D.	Renneke	

Mr. Larson voted in the negative.

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1946 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1946: A bill for an act relating to agriculture; providing for deficiency judgments relating to foreclosure and sale of mortgages on property used in agricultural production; requiring fair market value to be determined by the court; extending period for execution on judgment; amending Minnesota Statutes 1988, section 582.30, subdivisions 3, 4, 5, and 6.

S.F. No. 1946 was read the third time.

With the unanimous consent of the Senate, Mr. Frederickson, D.R. moved

to amend S.F. No. 1946 as follows:

Page 1, after line 9, insert:

“Section 1. Minnesota Statutes 1988, section 500.24, subdivision 4, is amended to read:

Subd. 4. [REPORTS.] (a) The chief executive officer of every pension or investment fund, corporation, or limited partnership, except a family farm corporation 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, or limited partnership and its place of incorporation, certification, or registration;

(2) The address of the pension or investment plan headquarters or of the registered office of the corporation in this state, the name and address of its registered agent in this state and, in the case of a foreign corporation or limited partnership, the address of its principal office in its place of incorporation, 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 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, 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 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 seeking to qualify hereunder as a family farm corporation, an authorized farm corporation, a family farm partnership, or authorized farm partnership shall contain the following additional information: The number of shares 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 or partnership interests owned by each partner; and a

statement as to percentage of gross receipts of the corporation derived from rent, royalties, dividends, interest and annuities. No pension or investment fund, limited partnership, or corporation 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 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 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.*

(d) Failure to file a required report, or the willful filing of false information, shall constitute a gross misdemeanor."

Page 3, after line 18, insert:

"Sec. 5. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment, but the provision allowing for an agreement concerning reduction or waiver of a civil penalty for late filing applies to a filing due April 15, 1989, or thereafter."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 1946 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Mehrkens	Purfeerst
Anderson	Decker	Knaak	Merriam	Ramstad
Beckman	DeCramer	Kroening	Metzen	Reichgott
Benson	Diessner	Laidig	Moe, R.D.	Renneke
Berg	Flynn	Langseth	Morse	Samuelson
Berglin	Frank	Lantry	Novak	Schmitz
Bernhagen	Frederick	Larson	Pariseau	Solon
Bertram	Frederickson, D.J.	Lessard	Pehler	Spear
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Stumpf
Brataas	Freeman	Marty	Piepho	Vickerman
Cohen	Gustafson	McGowan	Piper	Waldorf
Dahl	Johnson, D.E.	McQuaid	Pogemiller	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2002 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2002: A bill for an act relating to veterans; changing a provision prohibiting cemeteries near veterans homes; amending Minnesota Statutes 1988, section 137.20.

Mr. Spear moved to amend H.F. No. 2002 as follows:

Delete everything after the enacting clause and insert:

“Section 1. [REPEALER.]

Minnesota Statutes 1988, sections 137.20 and 137.21, are repealed.”

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 2002 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Moe, R.D.	Renneke
Anderson	Decker	Kroening	Morse	Samuelson
Beckman	DeCramer	Laidig	Novak	Schmitz
Benson	Dicklich	Langseth	Olson	Spear
Berg	Flynn	Lantry	Pariseau	Storm
Berglin	Frank	Larson	Peterson, R.W.	Stumpf
Bernhagen	Frederick	Lessard	Piepho	Vickerman
Bertram	Frederickson, D.J.	Marty	Piper	Waldorf
Brandl	Frederickson, D.R.	McGowan	Pogemiller	
Chmielewski	Freeman	McQuaid	Purfeerst	
Cohen	Johnson, D.E.	Merriam	Ramstad	
Dahl	Johnson, D.J.	Metzen	Reichgott	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1919 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1919: A bill for an act relating to ethnic Minnesotans; designating Ethnic American Day; proposing coding for new law in Minnesota Statutes, chapter 10.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	McQuaid	Purfeerst
Anderson	Davis	Johnson, D.J.	Metzen	Ramstad
Beckman	Decker	Knaak	Moe, D.M.	Reichgott
Benson	DeCramer	Kroening	Moe, R.D.	Renneke
Berg	Dicklich	Laidig	Morse	Samuelson
Berglin	Flynn	Langseth	Novak	Schmitz
Bernhagen	Frank	Lantry	Olson	Spear
Bertram	Frederick	Larson	Pariseau	Storm
Brandl	Frederickson, D.J.	Lessard	Piepho	Stumpf
Chmielewski	Frederickson, D.R.	Marty	Piper	Vickerman
Cohen	Freeman	McGowan	Pogemiller	Waldorf

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1704 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1704: A bill for an act relating to natural resources; authorizing conservation officers to seek issuance of and to serve search warrants; amending Minnesota Statutes 1989 Supplement, sections 626.05, subdivision 2; and 626.13.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Knaak	Metzen	Ramstad
Anderson	DeCramer	Knutson	Moe, D.M.	Reichgott
Beckman	Dicklich	Kroening	Moe, R.D.	Renneke
Benson	Diessner	Laidig	Morse	Samuelson
Berg	Flynn	Langseth	Novak	Schmitz
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Peterson, R.W.	Stumpf
Brandl	Frederickson, D.R.	Marty	Piepho	Vickerman
Chmielewski	Freeman	McGowan	Piper	Waldorf
Dahl	Johnson, D.E.	McQuaid	Pogemiller	
Davis	Johnson, D.J.	Merriam	Purfeerst	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1772 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1772: A bill for an act relating to natural resources; changing the provisions relating to the delineation of wetland or marginal land; exempting land classification agreement lands from certain requirements; establishing Lake of the Woods state forest; amending Minnesota Statutes 1988, section 89.021, subdivision 1, and by adding a subdivision; Minnesota Statutes 1989 Supplement, section 40.46, subdivision 2.

Mr. Davis moved to amend S.F. No. 1772 as follows:

Page 1, delete section 1 and insert:

“Section 1. Minnesota Statutes 1989 Supplement, section 40.46, 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 40.43, 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).

(c) *This section does not apply to transfers of land by the commissioner of administration or transportation 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.

Sec. 2. Minnesota Statutes 1989 Supplement, section 40.46, subdivision 2, is amended to read:

Subd. 2. [DELINEATION OF WETLAND OR MARGINAL LAND.] (a) Before state land is sold, ~~the land must be submitted to the board of water and soil resources to authority selling the land~~ must determine and delineate the marginal land and wetlands to be reserved or restricted by a conservation easement. *The delineation must be reported to the board of water and soil resources or the commissioner of natural resources as provided in paragraph (b) before the land is sold. The board or the commissioner may only disapprove the delineation within 60 days after the delineation is reported.* The delineation of the reservation or conservation easement need not be by legal description and may be a description in general terms that identifies the marginal land or wetlands.

(b) *For tax-forfeited land in counties that have appointed land commissioners under section 282.13 and have the authority to sell land under section 282.01, subdivision 3, the land commissioners shall review marginal land and wetlands and delineate the reservation or conservation easement. The delineation must be reported to the commissioner of natural resources and reviewed by the commissioner in conjunction with section 282.01, subdivision 2. For other tax-forfeited land the soil and water*

conservation board of the district where the land is located must review marginal land and wetlands and delineate the reservation or conservation easement.

(c) Marginal land and wetlands may not be sold unless restricted by a conservation easement with the restrictions provided in section 40.43, subdivision 4, paragraphs (a) and (c), and other restrictions determined necessary by the board of water and soil resources.”

Renumber the sections in sequence and correct the internal references
Amend the title accordingly

Mr. Merriam moved to amend the Davis amendment to S.F. No. 1772 as follows:

Page 2, line 16 after “3,” insert “*the county board shall determine whether*”

Page 2, line 17, after “*commissioners*” insert “*or the soil and water conservation district board*”

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the Davis amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

S.F. No. 1772 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Merriam	Pogemiller
Anderson	Decker	Knutson	Metzen	Purfeerst
Beckman	DeCramer	Kroening	Moe, D.M.	Ramstad
Benson	Dicklich	Laidig	Moe, R.D.	Reichgott
Berglin	Diessner	Langseth	Morse	Renneke
Bernhagen	Flynn	Lantry	Novak	Schmitz
Bertram	Frank	Larson	Olson	Spear
Brandl	Frederickson, D.J.	Lessard	Pehler	Storm
Brataas	Frederickson, D.R.	Marty	Peterson, R.W.	Stumpf
Chmielewski	Johnson, D.E.	McGowan	Piepho	Vickerman
Dahl	Johnson, D.J.	McQuaid	Piper	Waldorf

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2336 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2336: A bill for an act relating to historical interpretive centers; defining the status of Farmamerica in Waseca county.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Merriam	Reichgott
Anderson	Davis	Knaak	Metzen	Renneke
Beckman	DeCramer	Knutson	Moe, R.D.	Schmitz
Benson	Dicklich	Kroening	Morse	Spear
Berglin	Diessner	Laidig	Novak	Storm
Bernhagen	Flynn	Langseth	Pariseau	Stumpf
Bertram	Frederick	Lantry	Piepho	Vickerman
Brandl	Frederickson, D.J.	Lessard	Piper	
Brataas	Frederickson, D.R.	Marty	Pogemiller	
Chmielewski	Gustafson	McGowan	Purfeerst	
Cohen	Johnson, D.E.	McQuaid	Ramstad	

Messrs. Frank and Peterson, R.W. voted in the negative.

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2054 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2054: A bill for an act relating to courts; staggering the elections of chief judges and assistant chief judges; providing for the adoption of rules by the supreme court governing jury administration; imposing penalties; amending Minnesota Statutes 1988, sections 484.69, subdivision 1, and by adding a subdivision; 593.19; 593.21; 593.31; 593.37, subdivision 2a; 593.40, subdivisions 4, 5, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 593; repealing Minnesota Statutes 1988, sections 484.69, subdivision 2; 593.01; 593.08; 593.131; 593.135; 593.16; 593.32; 593.33; 593.34; 593.35; 593.36; 593.37, subdivisions 1, 2, and 3; 593.38; 593.39; 593.40, subdivisions 1, 2, and 3; 593.41; 593.42, subdivisions 1, 2, 3, and 5; 593.43; 593.44; 593.45; 593.46; 593.47; and 593.49.

Mr. Pogemiller moved to amend S.F. No. 2054 as follows:

Page 4, line 33, delete "593.32;"

Amend the title as follows:

Page 1, line 12, delete "593.32;"

The motion prevailed. So the amendment was adopted.

S.F. No. 2054 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 58 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Gustafson	Merriam	Ramstad
Anderson	Davis	Johnson, D.J.	Metzen	Reichgott
Beckman	Decker	Knaak	Moe, R.D.	Renneke
Benson	DeCramer	Knutson	Morse	Schmitz
Berg	Dicklich	Kroening	Novak	Solon
Berglin	Diessner	Laidig	Olson	Spear
Bernhagen	Flynn	Langseth	Pariseau	Storm
Bertram	Frank	Lantry	Peterson, R.W.	Stumpf
Brandl	Frederick	Lessard	Piepho	Vickerman
Brataas	Frederickson, D.J.	Marty	Piper	Waldorf
Chmielewski	Frederickson, D.R.	McGowan	Pogemiller	
Cohen	Freeman	McQuaid	Purfeerst	

Mr. Larson voted in the negative.

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2011 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2011: A bill for an act relating to health; clarifying variance authority regarding training standards for ambulance attendants; establishing a state emergency medical services advisory council; amending Minnesota Statutes 1989 Supplement, section 144.804, subdivision 1; and proposing coding for new law in Minnesota Statutes, chapter 144.

Mr. Beckman moved to amend S.F. No. 2011 as follows:

Page 2, line 12, after "*recommendations*" insert "*to*"

The motion prevailed. So the amendment was adopted.

S.F. No. 2011 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Freeman	McGowan	Piepho
Anderson	Davis	Gustafson	McQuaid	Piper
Beckman	Decker	Johnson, D.J.	Mehrkens	Pogemiller
Benson	DeCramer	Knaak	Merriam	Ramstad
Berg	Dicklich	Knutson	Metzen	Solon
Berglin	Diessner	Kroening	Moe, R.D.	Spear
Bertram	Flynn	Laidig	Morse	Storm
Brandl	Frank	Langseth	Novak	Stumpf
Brataas	Frederick	Lantry	Olson	Vickerman
Chmielewski	Frederickson, D.J.	Larson	Pariseau	
Cohen	Frederickson, D.R.	Marty	Peterson, R.W.	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2058 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2058: A bill for an act relating to education; changing names of state board and state director of vocational technical education and local directors of technical colleges; amending Minnesota Statutes 1988, section 136C.02, subdivisions 4 and 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 41 and nays 11, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kroening	Metzen	Schmitz
Anderson	Dicklich	Laidig	Moe, R. D.	Solon
Beckman	Diessner	Langseth	Morse	Stumpf
Berg	Flynn	Lantry	Novak	Vickerman
Berglin	Frank	Larson	Peterson, R. W.	Waldorf
Bertram	Frederickson, D.J.	Lessard	Piepho	
Brandl	Freeman	Marty	Piper	
Cohen	Gustafson	Mehrkens	Pogemiller	
Decker	Johnson, D.J.	Merriam	Reichgott	

Those who voted in the negative were:

Brataas	Knutson	McQuaid	Pariseau	Spear
Frederickson, D.R.	McGowan	Olson	Ramstad	Storm
Knaak				

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2212 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2212: A bill for an act relating to education; revising, updating, and making substantive changes in the laws on the county extension service; amending Minnesota Statutes 1988, sections 38.33; 38.34; 38.35; 38.36; 38.37; and 38.38; proposing coding for new law in Minnesota Statutes, chapter 38.

Mr. Waldorf moved that the amendment made to H.F. No. 2212 by the Committee on Rules and Administration in the report adopted March 21, 1990, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 2212 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.E.	Merriam	Reichgott
Anderson	Decker	Johnson, D.J.	Metzen	Renneke
Beckman	DeCramer	Knaak	Moe, R. D.	Schmitz
Benson	Dicklich	Knutson	Morse	Solon
Berg	Diessner	Kroening	Novak	Spear
Berglin	Flynn	Laidig	Olson	Storm
Bernhagen	Frank	Langseth	Pariseau	Stumpf
Bertram	Frederick	Lantry	Peterson, R. W.	Vickerman
Brandl	Frederickson, D.J.	Larson	Piepho	Waldorf
Brataas	Frederickson, D.R.	Lessard	Piper	
Chmielewski	Freeman	McGowan	Pogemiller	
Cohen	Gustafson	McQuaid	Ramstad	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1984 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1984: A bill for an act relating to insurance; accident and health; providing for coordination of benefits between group and individual contracts; amending Minnesota Statutes 1989 Supplement, section 62A.046.

Mr. Solon moved to amend H.F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 15, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2110.)

Page 2, line 18, after the comma, insert "*fraternals*,"

Page 2, line 28, after the first comma, insert "*fraternals*,"

Page 2, line 31, after the period, insert "*This paragraph does not apply to specified accident, hospital indemnity, specified disease, or other limited benefit insurance policies.*"

The motion prevailed. So the amendment was adopted.

H.F. No. 1984 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.E.	McGowan	Pogemiller
Anderson	Decker	Johnson, D.J.	McQuaid	Ramstad
Beckman	DeCramer	Knaak	Merriam	Reichgott
Benson	Dicklich	Knutson	Metzen	Renneke
Berg	Diessner	Kroening	Moe, R.D.	Schmitz
Berglin	Flynn	Laidig	Morse	Solon
Bernhagen	Frank	Langseth	Novak	Spear
Bertram	Frederick	Lantry	Olson	Storm
Brandl	Frederickson, D.R.	Larson	Pariseau	Stumpf
Brataas	Freeman	Lessard	Piepho	Vickerman
Cohen	Gustafson	Marty	Piper	Waldorf

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1785 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1785: A bill for an act relating to real property; providing for plat monuments; imposing a penalty; amending Minnesota Statutes 1988, sections 505.02, subdivision 1; and 505.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 505.

Mr. Beckman moved to amend H.F. No. 1785, as amended pursuant to Rule 49, adopted by the Senate March 19, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2141.)

Page 1, line 25, before the period, insert "*and witness corners*"

The motion prevailed. So the amendment was adopted.

H.F. No. 1785 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Knaak	Metzen	Samuelson
Anderson	DeCramer	Knutson	Morse	Schmitz
Beckman	Diessner	Kroening	Novak	Solon
Benson	Flynn	Laidig	Olson	Spear
Berg	Frank	Langseth	Pariseau	Storm
Berglin	Frederick	Lantry	Peterson, R.W.	Stumpf
Bernhagen	Frederickson, D.J.	Larson	Piepho	Vickerman
Bertram	Frederickson, D.R.	Lessard	Piper	Waldorf
Brataas	Freeman	Marty	Pogemiller	
Cohen	Gustafson	McGowan	Ramstad	
Dahl	Johnson, D.E.	McQuaid	Reichgott	
Davis	Johnson, D.J.	Merriam	Renneke	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F No. 2018 a Special Order to be heard immediately.

SPECIAL ORDER

H.F No. 2018: A bill for an act relating to newspapers; changing filing requirements for qualification as a legal newspaper; amending Minnesota Statutes 1988, section 331A.02, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.E.	McQuaid	Reichgott
Anderson	Decker	Johnson, D.J.	Merriam	Renneke
Beckman	DeCramer	Knaak	Morse	Samuelson
Benson	Diessner	Knutson	Novak	Schmitz
Berg	Flynn	Kroening	Olson	Solon
Berglin	Frank	Laidig	Pariseau	Spear
Bernhagen	Frederick	Lantry	Peterson, R.W.	Storm
Bertram	Frederickson, D.J.	Larson	Piepho	Stumpf
Brandl	Frederickson, D.R.	Lessard	Piper	Vickerman
Brataas	Freeman	Marty	Pogemiller	Waldorf
Cohen	Gustafson	McGowan	Ramstad	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F No. 1983 a Special Order to be heard immediately.

SPECIAL ORDER

H.F No. 1983: A bill for an act relating to insurance; regulating coverages under Medicare supplement plans; requiring insurers to submit claims experience and earned premiums data; amending Minnesota Statutes 1988, 62A.36, by adding a subdivision; Minnesota Statutes 1989 Supplement, 62A.31, subdivision 2; 62A.315; and 62A.316.

Ms. Flynn moved to amend H.F No. 1983, as amended pursuant to Rule

49, adopted by the Senate March 21, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2384.)

Page 4, line 29, strike "and"

Page 4, line 33, strike the period and insert "; and

(6) 100 percent of the cost of immunizations."

Page 5, line 15, delete "and"

Page 5, line 19, reinstate the stricken semicolon and delete the period

Page 5, line 28, after the stricken period, insert "and

(5) 100 percent of the cost of immunizations."

Page 9, line 13, delete "5, 7, and 8" and insert "6 and 8 to 10"

Page 9, line 15, delete "6" and insert "7"

The motion prevailed. So the amendment was adopted.

H.F. No. 1983 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.E.	McQuaid	Pogemiller
Anderson	DeCramer	Johnson, D.J.	Mehrkens	Ramstad
Beckman	Dicklich	Knaak	Moe, R. D.	Reichgott
Benson	Diessner	Knutson	Morse	Renneke
Berglin	Flynn	Kroening	Novak	Samuelson
Bernhagen	Frank	Laidig	Olson	Schmitz
Bertram	Frederick	Lantry	Pariseau	Solon
Brandt	Frederickson, D.J.	Larson	Pehler	Spear
Brataas	Frederickson, D.R.	Lessard	Peterson, R. W.	Storm
Cohen	Freeman	Marty	Piepho	Vickerman
Davis	Gustafson	McGowan	Piper	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2062 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2062: A bill for an act relating to public employment; repealing the exclusion of graduate assistants from coverage under the public employment labor relations act; amending Minnesota Statutes 1988, section 179A.03, subdivision 14.

Ms. Flynn moved that the amendment made to H.F. No. 2062 by the Committee on Rules and Administration in the report adopted March 21, 1990, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 2062 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.J.	McQuaid	Ramstad
Anderson	DeCramer	Knaak	Mehrkens	Renneke
Beckman	Dicklich	Knutson	Moe, R.D.	Samuelson
Benson	Diessner	Kroening	Morse	Schmitz
Berg	Flynn	Laidig	Novak	Spear
Berglin	Frank	Langseth	Olson	Storm
Bernhagen	Frederick	Lantry	Pariseau	Stumpf
Bertram	Frederickson, D.J.	Larson	Pehler	Vickerman
Brandl	Frederickson, D.R.	Lessard	Piepho	Waldorf
Cohen	Gustafson	Marty	Piper	
Davis	Johnson, D.E.	McGowan	Pogemiller	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2045 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2045: A bill for an act relating to human services; clarifying the definition of mentally retarded person in the Minnesota Commitment Act; increasing the time limit for a court of appeals decision under the commitment act; amending Minnesota Statutes 1988, sections 253B.02, subdivision 14; 253B.12, subdivision 4; and 253B.23, subdivision 7.

Mr. Spear moved that the amendment made to H.F. No. 2045 by the Committee on Rules and Administration in the report adopted March 20, 1990, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 2045 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.E.	Mehrkens	Purfeerst
Anderson	DeCramer	Johnson, D.J.	Merriam	Ramstad
Beckman	Dicklich	Knutson	Moe, R.D.	Reichgott
Benson	Diessner	Kroening	Morse	Renneke
Berg	Flynn	Laidig	Novak	Samuelson
Berglin	Frank	Lantry	Olson	Schmitz
Bernhagen	Frederick	Larson	Pariseau	Spear
Bertram	Frederickson, D.J.	Lessard	Pehler	Storm
Brataas	Frederickson, D.R.	Marty	Piepho	Stumpf
Cohen	Gustafson	McGowan	Piper	Vickerman
Davis	Hughes	McQuaid	Pogemiller	Waldorf

So the bill passed and its title was agreed to.

RECONSIDERATION

Mr. Berg moved that the vote whereby S.F. No. 1704 was passed by the Senate on March 23, 1990, be now reconsidered. The motion prevailed.

S.F. No. 1704: A bill for an act relating to natural resources; authorizing conservation officers to seek issuance of and to serve search warrants; amending Minnesota Statutes 1989 Supplement, sections 626.05, subdivision 2; and 626.13.

Mr. Berg moved to amend S.F. No. 1704 as follows:

Page 1, after line 6, insert:

“Section 1. Minnesota Statutes 1989 Supplement, section 17.49, subdivision 2, is amended to read:

Subd. 2. [COORDINATION.] Aquiculture programs in the state must be coordinated through the commissioner of agriculture. The commissioner of agriculture shall direct the development of aquiculture in the state. Aquiculture research, projects, and demonstrations must be reported to the commissioner before state appropriations for the research, projects, and demonstrations are encumbered. The commissioner shall maintain a data base of aquiculture research, demonstrations, and other related information pertaining to ~~agriculture~~ aquiculture in the state.

Sec. 2. Minnesota Statutes 1989 Supplement, section 17.49, is amended by adding a subdivision to read:

Subd. 3. [REPORT.] The commissioner shall prepare an annual report on the amount of fish and aquiculture products consumed in the state, where the products were produced, the opportunities in the state for aquiculture development, and impediments to Minnesota development of aquiculture.

Sec. 3. [17.493] [UNIFORM REGULATION OF AQUICULTURE.]

Subdivision 1. [UNIFORMITY REQUIRED.] A state agency must regulate all aquiculture activities in the state uniformly, including aquiculture activities conducted by the state, to protect against adverse effects on health, natural resources, and the environment. These uniform regulations must apply to: discharges into the waters of the state where the aquiculture is being conducted, discharges to other bodies of water, permits required, standards for waters of the state where the aquiculture is being conducted, and monitoring required for permits. Aquiculture activities must be regulated uniformly regardless of the size of the aquiculture activity.

Subd. 2. [RULES.] The commissioners of agriculture, the pollution control agency, and natural resources jointly in consultation with the University of Minnesota shall adopt rules consistent with subdivision 1 to regulate aquiculture by September 1, 1990. Rules may be adopted after that date in the same manner.

Sec. 4. Minnesota Statutes 1988, section 97A.155, is amended by adding a subdivision to read:

Subd. 3. [AQUICULTURE ALLOWED.] The commissioner shall not interpret commercial fishing in the settlement agreement in a manner that restricts aquiculture by the Leech Lake Band, or Leech Lake Band members, that is conducted consistent with state policies, laws, and regulations relating to aquiculture.

Sec. 5. Minnesota Statutes 1988, section 97C.501, subdivision 1, is amended to read:

Subdivision 1. [MINNOW RETAILERS.] (a) A person may not be a minnow retailer without a minnow retailer license except as provided in subdivision 3.

(b) A minnow retailer must obtain a minnow retailer's vehicle license for each motor vehicle used by the minnow retailer to transport more than 12 dozen minnows to the minnow retailer's place of business, except as provided in subdivision 3. *A minnow retailer is not required to obtain a*

minnow retailer's vehicle license if minnows are being transported by common carrier and information is provided that allows the commissioner to find out the location of the shipment in the state.

Sec. 6. Minnesota Statutes 1988, section 97C.525, is amended by adding a subdivision to read:

Subd. 6. [COMMON CARRIER.] An exporting minnow dealer may transport minnows by common carrier and must provide on request by the commissioner information pertaining to product, quantity, and destination.

Sec. 7. [97C.827] [LAKE OF THE WOODS; COMMERCIAL FISHING OF ROUGH FISH.]

Subdivision 1. [PROMOTION.] The commissioner shall promote and encourage taking rough fish from Lake of the Woods.

Subd. 2. [ISSUANCE OF LICENSES.] The commissioner shall issue commercial fishing licenses to take rough fish on Lake of the Woods. The issuance of the commercial fishing licenses may not be restricted because a person holds other licenses under the game and fish laws or operates particular kinds of businesses."

Renumber the sections in sequence and correct the internal references
Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 1704 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 39 and nays 14, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knutson	McQuaid	Purfeerst
Anderson	Diessner	Kroening	Mehrkens	Ramstad
Benson	Frank	Laidig	Moe, R.D.	Renneke
Berg	Frederickson, D.J.	Langseth	Olson	Spear
Bernhagen	Frederickson, D.R.	Lantry	Pariseau	Storm
Bertram	Gustafson	Larson	Piepho	Stumpf
Davis	Hughes	Lessard	Piper	Vickerman
Decker	Johnson, D.E.	McGowan	Pogemiller	

Those who voted in the negative were:

Beckman	Cohen	Johnson, D.J.	Marty	Novak
Berglin	Dicklich	Knaak	Merriam	Reichgott
Brataas	Flynn	Luther	Morse	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2147 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2147: A bill for an act relating to transportation; exempting fertilizer and agricultural chemical retailers from certain regulations on transporting hazardous materials; making certain private carriers subject to driver qualification rules; amending Minnesota Statutes 1988, section 221.033, subdivision 2; Minnesota Statutes 1989 Supplement, section

221.031, subdivision 2a.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.E.	McGowan	Pogemiller
Anderson	Decker	Johnson, D.J.	McQuaid	Purfeerst
Beckman	DeCramer	Knaak	Mehrrens	Ramstad
Benson	Dicklich	Knutson	Merriam	Reichgott
Berg	Diessner	Kroening	Moe, R.D.	Renneke
Berglin	Flynn	Laidig	Morse	Schmitz
Bernhagen	Frank	Langseth	Olson	Spear
Bertram	Frederick	Lantry	Pariseau	Storm
Brandl	Frederickson, D.J.	Larson	Peterson, R.W.	Stumpf
Brataas	Frederickson, D.R.	Luther	Piepho	Vickerman
Cohen	Gustafson	Marty	Piper	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2594 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2594: A bill for an act relating to commerce; regulating trade practices; prohibiting contracts from providing an exclusive right to display free newspapers for distribution in any place of public accommodation; proposing coding for new law in Minnesota Statutes, chapter 325E.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 46 and nays 6, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Moe, D.M.	Samuelson
Anderson	Flynn	Laidig	Moe, R.D.	Schmitz
Beckman	Frank	Langseth	Morse	Spear
Berglin	Frederick	Lantry	Olson	Storm
Bernhagen	Frederickson, D.J.	Larson	Pariseau	Stumpf
Bertram	Frederickson, D.R.	Luther	Piepho	Vickerman
Brataas	Freeman	Marty	Pogemiller	
Cohen	Hughes	McGowan	Ramstad	
Davis	Johnson, D.E.	McQuaid	Reichgott	
Decker	Johnson, D.J.	Mehrrens	Renneke	

Those who voted in the negative were:

Benson	Gustafson	Knaak	Knutson	Peterson, R.W.
Brandl				

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2294 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2294: A bill for an act relating to drivers' licenses; providing for electronically produced images on drivers' licenses; providing for living will designation on driver's licenses; allowing commissioner to suspend a driver's license for failure to report certain medical conditions; amending Minnesota Statutes 1988, sections 171.07, subdivisions 1a and 6, and by adding a subdivision; and 171.071; Minnesota Statutes 1989 Supplement, sections 171.06, subdivision 3; 171.07, subdivisions 1 and 3; and 171.18.

Ms. Reichgott moved to amend H.F. No. 2294, as amended pursuant to Rule 49, adopted by the Senate March 21, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2212.)

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 171.06, subdivision 3, is amended to read:

Subd. 3. [CONTENTS OF APPLICATION.] Every application ~~shall~~ *must* state the full name, date of birth, social security number, sex and residence address of the applicant, a description of the applicant in such manner as the commissioner may require, and ~~shall~~ *must* state whether or not the applicant has theretofore been licensed as a driver; and, if so, when and by what state or country and whether any such license has ever been suspended or revoked, or whether an application has ever been refused; and, if so, the date of and reason for such suspension, revocation, or refusal, together with such facts pertaining to the applicant and the applicant's ability to operate a motor vehicle with safety as may be required by the commissioner. The application form ~~shall~~ *must* contain a notification to the applicant of the availability of the donor document provided pursuant to section 171.07, subdivision 5, and ~~shall~~ *must* contain spaces where the applicant must indicate a desire to receive or not to receive the donor document. *The application form must contain a notification to the applicant of the availability of a living will designation on the license under section 171.07, subdivision 7.* The application ~~shall~~ *must* be in the form prepared by the commissioner.

The application form must be accompanied by a pamphlet containing relevant facts relating to:

- (1) the effect of alcohol on driving ability;
- (2) the effect of mixing alcohol with drugs;
- (3) the laws of Minnesota relating to operation of a motor vehicle while under the influence of alcohol or a controlled substance; and
- (4) the levels of alcohol-related fatalities and accidents in Minnesota and of arrests for alcohol-related violations."

Page 3, after line 19, insert:

"Sec. 6. Minnesota Statutes 1988, section 171.07, is amended by adding a subdivision to read:

Subd. 7. [LIVING WILL DESIGNATION.] *At the written request of the applicant and on payment of the required fee, the department shall issue, renew, or reissue a driver's license or Minnesota identification card bearing the designation "Living Will" or an abbreviation thereof. The designation does not constitute delivery of a health care declaration under section*

145B.05.

On payment of the required fee, the department shall issue a replacement or renewal license or identification card without the designation if requested by the applicant.

This subdivision does not impose any additional duty on a health care provider, as defined in section 145B.02, subdivision 6, beyond the duties imposed in chapter 145B."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "providing for living will designation on driver's license;"

Page 1, line 7, delete the first "and" and insert a comma and after "6" insert ", and by adding a subdivision"

Page 1, line 8, after "sections" insert "171.06, subdivision 3;"

The motion prevailed. So the amendment was adopted.

H.F. No. 2294 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 53 and nays 5, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.E.	McGowan	Pogemiller
Anderson	Decker	Johnson, D.J.	McQuaid	Purfeerst
Beckman	DeCramer	Knaak	Mehrkens	Ramstad
Benson	Dicklich	Knutson	Moe, R. D.	Reichgott
Berg	Diessner	Kroening	Morse	Renneke
Berglin	Flynn	Laidig	Olson	Schmitz
Bernhagen	Frederick	Langseth	Pariseau	Spear
Brandl	Frederickson, D.J.	Lantry	Pehler	Storm
Brataas	Frederickson, D.R.	Larson	Peterson, R. W.	Vickerman
Cohen	Gustafson	Luther	Piepho	
Dahl	Hughes	Marty	Piper	

Those who voted in the negative were:

Bertram	Chmielewski	Frank	Stumpf	Waldorf
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So the bill, as amended, passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1857 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1857: A bill for an act relating to transportation; providing greater restrictions on eligibility of debarred persons for certain public contracts; increasing scope of interstate motor carrier registration agreements; amending Minnesota Statutes 1988, section 161.315, subdivisions 2 and 3; Minnesota Statutes 1989 Supplement, section 221.601, subdivision 1.

Mr. DeCramer moved to amend H.F. No. 1857, as amended pursuant to Rule 49, adopted by the Senate March 21, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2356.)

Page 3, after line 9, insert:

"Sec. 3. Minnesota Statutes 1989 Supplement, section 221.022, is amended to read:

221.022 [~~METROPOLITAN TRANSIT COMMISSION; EXCEPTION.~~]

The powers granted to the board under sections 221.011 to 221.296 do not include the power to regulate any service or vehicles operated by the metropolitan transit commission or to regulate passenger transportation service provided under contract to the department *or the regional transit board*. A provider of passenger transportation service under contract to the department *or the regional transit board* may not provide charter service without first having obtained a permit to operate as a charter carrier.

Sec. 4. Minnesota Statutes 1989 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 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;

(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, 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 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 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 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) a person providing limousine service that is not regular route service in a passenger automobile that is not a van, and that has a seating capacity, excluding the driver, of not more than 12 persons;

(o) 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*.

Sec. 5. Minnesota Statutes 1989 Supplement, section 221.031, subdivision 3a, is amended to read:

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 a local transit commission, a transit authority created by the legislature, or special transportation service certified by the commissioner under section 174.30."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Vickerman moved to amend H.F. No. 1857, as amended pursuant to Rule 49, adopted by the Senate March 21, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2356.)

Page 1, line 16, after "*otherwise,*" insert "*who is, or that has as an officer or director an individual who is, a relative of the person or an individual over whose actions the person exercises substantial influence or control,*"

Page 2, after line 21, insert:

"(h) "*Relative*" means an individual related by consanguinity within the second degree as determined by the common law, a spouse, or an individual related to a spouse within the second degree as determined by the common law, and includes an individual in an adoptive relationship within the second degree as determined by the common law."

Page 3, line 3, after "*transfers*" insert "*to a relative or to any other*

party over whose actions the debarred person exercises substantial influence or control,”

Amend the title as follows:

Page 1, line 3, after “of” insert “affiliates and businesses sold by”

The motion prevailed. So the amendment was adopted.

Mrs. Adkins moved to amend H.F. No. 1857, as amended pursuant to Rule 49, adopted by the Senate March 21, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2356.)

Page 3, after line 34, insert:

“Sec. 4. [FIBER OPTIC CABLE ALONG I-94]

Notwithstanding Minnesota Rules, part 8810.3300, subpart 4, a utility, as defined in Minnesota Rules, part 8810.3100, subpart 4, may lay a fiber optic cable or a conduit containing one or more fiber optic cables inside the control-of-access lines along the portion of the interstate highway designated as I-94 that runs between Maple Grove in Hennepin county and St. Cloud in Stearns county. The commissioner of transportation may charge reasonable fees for allowing the cable or conduit to be laid. If the cable or conduit must be relocated because of reconstruction or maintenance work on an interstate highway, the utility shall bear the entire cost of the relocation.”

Page 3, line 36, delete “3” and insert “4”

Renumber the sections in sequence

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 1857 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Hughes	McGowan	Piper
Anderson	Decker	Johnson, D.E.	McQuaid	Pogemiller
Beckman	DeCramer	Johnson, D.J.	Mehrkens	Purfeerst
Benson	Dicklich	Knaak	Merriam	Ramstad
Berg	Diessner	Knutson	Moe, R. D.	Reichgott
Berglin	Flynn	Kroening	Morse	Renneke
Bernhagen	Frank	Laidig	Olson	Schmitz
Bertram	Frederick	Lantry	Pariseau	Spear
Brandl	Frederickson, D.J.	Larson	Pehler	Stumpf
Brataas	Frederickson, D.R.	Luther	Peterson, R. W.	Vickerman
Cohen	Gustafson	Marty	Piepho	Waldorf

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1883 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1883: A bill for an act relating to water resources; approving certain permits under certain conditions; amending Minnesota Statutes 1988, section 105.405, subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Decker	Johnson, D.E.	Mehrkens	Ramstad
Beckman	DeCramer	Johnson, D.J.	Merriam	Reichgott
Benson	Dicklich	Knaak	Moe, R.D.	Renneke
Berg	Diessner	Knutson	Morse	Schmitz
Berglin	Flynn	Kroening	Pariseau	Spear
Bernhagen	Frank	Laidig	Pehler	Storm
Bertram	Frederick	Lantry	Peterson, R.W.	Stumpf
Brandl	Frederickson, D.J.	Luther	Piepho	Vickerman
Brataas	Frederickson, D.R.	Marty	Piper	Waldorf
Cohen	Freeman	McGowan	Pogemiller	
Davis	Hughes	McQuaid	Purfeerst	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1846 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1846: A bill for an act relating to prostitution; increasing penalties for certain patrons of prostitutes; providing that when a patron uses a motor vehicle during commission of an offense, that fact will be noted on the person's driving record; amending Minnesota Statutes 1988, sections 609.324, subdivisions 2, 3, and by adding subdivisions; and 609.3241.

Mr. Knaak moved to amend H.F. No. 1846, as amended pursuant to Rule 49, adopted by the Senate March 22, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 1977.)

Page 1, after line 9, insert:

“Section 1. Minnesota Statutes 1988, section 171.12, is amended by adding a subdivision to read:

Subd. 7. [CERTAIN CONVICTIONS RECORDED.] When a court sentences a person for a conviction of any of the following offenses, the court shall forward a record of the conviction to the commissioner of public safety who shall record the conviction on the driving record of the offender:

(1) *misdemeanor assault under section 609.224;*

(2) *the misdemeanor offense of allowing a dog to harm another, under section 609.226; or*

(3) *misdemeanor prostitution under section 609.324, subdivision 3.”*

Page 2, delete section 4

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "requiring recording of certain misdemeanor convictions on offender's driving record;"

Page 1, line 7, after "sections" insert "171.12, by adding a subdivision;"

Page 1, line 8, delete "subdivisions" and insert "a subdivision"

Mr. Pogemiller questioned whether the amendment was germane.

The President ruled that the amendment was germane.

The question was taken on the adoption of the Knaak amendment. The motion did not prevail. So the amendment was not adopted.

Mr. Spear moved to amend H.F. No. 1846, as amended pursuant to Rule 49, adopted by the Senate March 22, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 1977.)

Page 2, delete section 4

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion did not prevail. So the amendment was not adopted.

Mr. McGowen moved to amend H.F. No. 1846, as amended pursuant to Rule 49, adopted by the Senate March 22, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 1977.)

Page 1, line 16, delete "*Except as otherwise provided in subdivision 4,*"

Page 1, line 17, delete "*while acting as a*"

Page 1, line 18, delete "*patron*" and delete "*pay a fine of at*" and insert "*serve 80 hours of community service during the 120 days following the conviction.*"

Page 1, delete line 19

Page 2, line 3, delete "*Except as otherwise provided in subdivision 4,*"

Page 2, line 4, delete everything after "(2)"

Page 2, line 5, delete "*patron*" and delete everything after "*to*" and insert "*serve 40 hours of community service during the 90 days following the conviction.*"

Page 2, delete line 6

Page 2, line 10, delete the new language

Page 2, line 11, delete "*in subdivision 4,*"

Page 2, line 12, delete everything after "*subdivision*"

Page 2, line 13, delete "*patron,*" and delete everything after "*to*" and insert "*serve 80 hours of community service during the 120 days following the conviction*"

Page 2, line 14, delete "*least \$1,500*"

Page 2, delete section 3

Page 2, line 28, delete "5" and insert "4"

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 8, delete "subdivisions" and insert "a subdivision"

The motion prevailed. So the amendment was adopted.

H.F. No. 1846 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 55 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Gustafson	McGowan	Piper
Anderson	Davis	Johnson, D.E.	McQuaid	Pogemiller
Beckman	Decker	Johnson, D.J.	Mehrkens	Purfeerst
Benson	DeCramer	Knaak	Metzen	Ramstad
Berg	Dicklich	Knutson	Moe, D.M.	Reichgott
Berglin	Diessner	Kroening	Moe, R.D.	Renneke
Bernhagen	Flynn	Laidig	Morse	Schmitz
Bertram	Frank	Lantry	Olson	Storm
Brandl	Frederick	Larson	Pariseau	Stumpf
Brataas	Frederickson, D.J.	Luther	Pehler	Vickerman
Chmielewski	Frederickson, D.R.	Marty	Piepho	Waldorf

Mr. Spear voted in the negative.

So the bill, as amended, was passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Calendar. The motion prevailed.

CALENDAR

S.F. No. 1966: A bill for an act relating to education; expanding open enrollment to bordering states; amending Minnesota Statutes 1988, section 120.062, by adding a subdivision; and Minnesota Statutes 1989 Supplement, section 120.062, subdivision 12.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Purfeerst
Anderson	Davis	Johnson, D.J.	Mehrkens	Ramstad
Beckman	Decker	Knaak	Metzen	Reichgott
Benson	DeCramer	Knutson	Moe, R.D.	Renneke
Berg	Dicklich	Kroening	Morse	Schmitz
Berglin	Diessner	Laidig	Olson	Spear
Bernhagen	Flynn	Langseth	Pariseau	Storm
Bertram	Frank	Lantry	Pehler	Stumpf
Brandl	Frederick	Larson	Peterson, R. W.	Vickerman
Brataas	Frederickson, D.J.	Luther	Piepho	
Chmielewski	Frederickson, D.R.	Marty	Piper	
Cohen	Gustafson	McGowan	Pogemiller	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate revert to the Orders of Business of Messages From the House, First Reading of House Bills, Reports of Committees and Second Reading of Senate Bills. The motion prevailed.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1855, 2042, 2162, 2386 and 2474.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 22, 1990

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 1855: A bill for an act relating to family law; modifying dissolution statistical report requirements; regulating child custody and visitation in dissolution and other proceedings; modifying standards for joint legal custody; providing for the award of temporary attorney fees; providing standards for visitation and custody rights when a parent has been convicted of certain crimes; providing funding for legal representation in family law matters; amending Minnesota Statutes 1988, sections 144.224; 257.025; 257.541, subdivision 2; 518.003, subdivision 3, and by adding a subdivision; 518.131, subdivisions 1 and 7; 518.14; 518.156; 518.167, subdivision 2; 518.175, by adding a subdivision; 518.551, subdivision 5; and 518.619; Minnesota Statutes 1989 Supplement, sections 518.17, subdivision 2; 518.175, subdivisions 1 and 5; and 518.64, subdivision 2; proposing coding for new law in chapter 518.

Referred to the Committee on Finance.

H.F. No. 2042: A bill for an act relating to consumer protection; limiting the locations in which sales of tobacco by vending machine may be made; proposing coding for new law in Minnesota Statutes, chapter 325E.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1923, now on Special Orders.

H.F. No. 2162: A bill for an act relating to the operation of state government; changing certain procedures and limits for contracts with the state; establishing an advisory task force; authorizing reimbursement of certain expenses; changing certain vehicle marking and color provisions; clarifying certain transfer authority; amending Minnesota Statutes 1988, sections 16B.09, by adding a subdivision; 16B.17, subdivisions 3 and 4; 16B.24, subdivision 10; 16B.41, subdivision 4; 16B.58, subdivision 7; and Minnesota Statutes 1989 Supplement, sections 16B.28, subdivision 3; 16B.54, subdivision 2; and 40.46, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2114, now on Special Orders.

H.F. No. 2386: A bill for an act relating to solid waste management; granting authority to St. Louis county; providing an exemption from the bond requirement for a contract for the construction of a solid waste facility in Kanabec county under certain circumstances; proposing coding for new law in Minnesota Statutes, chapter 383C.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2270, now on Special Orders.

H.F. No. 2474: A bill for an act relating to insurance; long-term care; modifying the definition of medically prescribed long-term care; allowing additional licensed health care providers to prepare plans of care; regulating assessments; regulating cancellations; amending Minnesota Statutes 1988, sections 62A.46, subdivisions 2, 4, 5, and 8; 62A.48, subdivision 3, and by adding a subdivision; and 62A.56; Minnesota Statutes 1989 Supplement, section 62A.48, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2566, now on General Orders.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the reports pertaining to appointments. The motion prevailed.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1653: A bill for an act relating to tax administration; recodifying and providing for the administration of certain taxes; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 270.06; 270.07, subdivision 1, and by adding a subdivision; 270.65; 270.67, subdivision 2; 270.68, subdivisions 1 and 3; 270.69, subdivisions 2, 3, 7, 8, and by adding a subdivision; 270.70, subdivisions 1 and 2; 270.73, subdivision 1; 290.05, subdivision 4; 290.92, subdivisions 6a, 15, 23, and 24; 290A.07, subdivisions 2a and 3; 290A.19; 291.09, subdivision 3a; 296.18, subdivisions 2 and 3; 296.25; 297A.03, subdivision 2; 297A.041; 297A.17; 297A.18; and 297A.211, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 270; proposing coding for new law as Minnesota Statutes, chapter 289A; repealing Minnesota Statutes 1988, sections 270.08; 270.10, subdivision 4; 270.651; 270.77; 271.061; 290.05, subdivision 5; 290.067, subdivision 5; 290.281, subdivision 5; 290.29; 290.37; 290.38; 290.39; 290.391; 290.40; 290.41; 290.42; 290.43; 290.44; 290.45; 290.46; 290.47; 290.49; 290.50, as amended; 290.52; 290.521; 290.522; 290.523; 290.53, subdivisions 1, 1a, 2, 2a, 3, 3a, 4, 5, 7, 8, 9, 10, and 11; 290.54; 290.56; 290.57; 290.58; 290.59; 290.65; 290.92, subdivisions 6, 7, 8, 11, 13, 14, and 15; 290.923, subdivision 7; 290.93; 290.931; 290.932; 290.933; 290.934; 290.935; 290.936; 290.974; 290A.06; 290A.11, subdivisions 1, 1a, 2, 3, and 4; 290A.111; 290A.112; 290A.12; 291.09, subdivisions 1a, 2a, 4a, 6, and 7; 291.11; 291.131; 291.14; 291.15, subdivisions 1 and 3; 291.215, subdivisions 2 and 3; 291.31, subdivisions 1 and 2; 291.32; 296.027; 296.16, subdivision 3; 296.17, subdivision 13; 296.18, subdivisions 3a and 7; 296.24; 297A.08; 297A.121; 297A.15, subdivision 3; 297A.20; 297A.26; 297A.27; 297A.275; 297A.29; 297A.30; 297A.31; 297A.32; 297A.33, subdivisions 1, 3, 4, and 5; 297A.34; 297A.35; 297A.39, subdivisions 1, 2, 2a, 3, 4, 5, 7, and 8; 297A.40; 297A.41;

297A.42; and 297A.44, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1
PROCEDURES

Section 1. [289A.01] [APPLICATION OF CHAPTER.]

This chapter applies to taxes administered by or paid to the commissioner under chapters 290, 290A, 291, and 297A.

Sec. 2. [289A.02] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] Unless the context clearly requires otherwise, the following terms used in this chapter have the following meanings.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of revenue of the state of Minnesota or a person to whom the commissioner has delegated functions.

Subd. 3. [TAXPAYER.] "Taxpayer" means a person subject to, or liable for, a state tax; a person required to file a return with respect to, or to pay, or withhold or collect and remit, a state tax; or a person required to obtain a license or a permit or to keep records under a law imposing a state tax.

Subd. 4. [PERSON.] "Person" means an individual, partnership, corporation, association, governmental unit or agency, or public or private organization of any kind, under a duty to comply with state tax laws because of its character or position.

Subd. 5. [OTHER WORDS.] Unless specifically defined in this chapter, or unless the context clearly indicates otherwise, the words used in this chapter have the same meanings as they are defined in chapters 290, 290A, 291, and 297A.

Sec. 3. [289A.021] [FILING REQUIREMENTS FOR INDIVIDUAL INCOME, FIDUCIARY INCOME, CORPORATE FRANCHISE, AND ENTERTAINMENT TAXES.]

Subdivision 1. [GENERALLY; INDIVIDUALS.] (a) A taxpayer must file a return for each taxable year the taxpayer is required to file a return under section 6012 of the Internal Revenue Code of 1986, as amended through December 31, 1989, except that an individual who is not a Minnesota resident for any part of the year is not required to file a Minnesota income tax return if the individual's gross income derived from Minnesota sources as determined under sections 290.081, paragraph (a), and 290.17, is less than the filing requirements for a single individual who is a full year resident of Minnesota.

(b) The decedent's final income tax return, and other income tax returns for prior years where the decedent had gross income in excess of the minimum amount at which an individual is required to file and did not file, must be filed by the decedent's personal representative, if any. If there is no personal representative, the return or returns must be filed by the transferees, as defined in section 289A.06, subdivision 13, who receive

property of the decedent.

(c) The term "gross income," as it is used in this section, has the same meaning given it in section 290.01, subdivision 20.

Subd. 2. [RETURNS FILED BY FIDUCIARIES.] (a) The trustee or other fiduciary of property held in trust must file a return with respect to the taxable net income of the trust or estate if it exceeds an amount determined by the commissioner and if the trust belongs to the class of taxable persons.

(b) The receivers, trustees in bankruptcy, or assignees operating the business or property of a taxpayer must file a return with respect to the taxable net income of the taxpayer if a return is required.

Subd. 3. [CORPORATIONS.] A corporation that is subject to the state's jurisdiction to tax under section 290.014, subdivision 5, must file a return, except that a foreign operating corporation as defined in section 290.01, subdivision 6b, is not required to file a return. The return must be signed by a person designated by the corporation. The commissioner shall adopt rules for the filing of one return on behalf of the members of an affiliated group of corporations that are required to file a combined report. Members of an affiliated group that elect to file one return on behalf of the members of the group under rules adopted by the commissioner may change or rescind the election by filing the form required by the commissioner.

Subd. 4. [EXEMPT ORGANIZATIONS; UNRELATED BUSINESS INCOME.] An exempt organization that is subject to tax on unrelated business income under section 290.05, subdivision 3, must file a return for each taxable year in which the organization is required to file a return under section 6012 of the Internal Revenue Code of 1986, as amended through December 31, 1989, because of the receipt of unrelated business income. If an organization is required to file a return under federal law but has no federal tax liability for the taxable year, the commissioner may provide that the filing requirement under this paragraph is satisfied by filing a copy of the taxpayer's federal return.

Subd. 5. [ANNUAL RETURN; EXCEPTIONS.] A return under this section must cover a 12-month period, except in the following cases:

(1) A return made by or for a taxpayer in existence for less than the whole of a taxable year must cover the part of the taxable year the taxpayer was in existence;

(2) A taxpayer who, in keeping books, regularly computes income on the basis of an annual period that varies from 52 to 53 weeks and ends always on the same day of the week, and ends always (i) on the date that day of the week last occurs in a calendar month or (ii) on the date that day of the week falls that is nearest to the last day of a calendar month, may compute the taxpayer's net income and taxable net income on the basis of that annual period in accordance with rules prescribed by the commissioner. If the effective date or the applicability of a provision of this chapter or chapter 290 is expressed in terms of taxable years beginning or ending with reference to a named date that is the first or last day of a month, a taxable year must be treated as beginning with the first day of the calendar month beginning nearest to the first day of that taxable year, or as ending with the last day of the calendar month ending nearest to the last day of that taxable year, as the case may be;

(3) A taxpayer who changes from one taxable year to another must make a return for the fractional parts of the year, under section 290.32.

Subd. 6. [RETURNS OF MARRIED PERSONS.] A husband and wife must file a joint Minnesota income tax return if they filed a joint federal income tax return. If the husband and wife have elected to file separate federal income tax returns, they must file separate Minnesota income tax returns. This election to file a joint or separate return must be changed if they change their election for federal purposes. In the event taxpayers desire to change their election, the change must be done in the manner and on the form prescribed by the commissioner.

The determination of whether an individual is married shall be made under the provisions of section 7703 of the Internal Revenue Code of 1986, as amended through December 31, 1989.

Subd. 7. [COMPOSITE INCOME TAX RETURNS FOR NONRESIDENT PARTNERS, SHAREHOLDERS, AND BENEFICIARIES.] (a) The commissioner may allow a partnership with five or more nonresident partners to file a composite return and to pay the tax on behalf of nonresident partners who have no other Minnesota source income. This composite return must include the names, addresses, social security numbers, income allocation, and tax liability for the nonresident partners electing to be covered by the composite return.

(b) The computation of a partner's tax liability must be determined by multiplying the income allocated to that partner by the highest rate used to determine the tax liability for individuals under section 290.06, subdivision 2c. Nonbusiness deductions, standard deductions, or personal exemptions are not allowed.

(c) The partnership must submit a request to use this composite return filing method for nonresident partners on or before the due date for filing the individual income tax returns. The request may be made a part of the return filed.

(d) The electing partner must not have any Minnesota source income other than the income from the partnership and other electing partnerships. If it is determined that the electing partner has other Minnesota source income, the inclusion of the income and tax liability for that partner under this provision will not constitute a return to satisfy the requirements of subdivision 1. The tax paid for the individual as part of the composite return is allowed as a payment of the tax by the individual on the date on which the composite return payment was made. If the electing nonresident partner has no other Minnesota source income, filing of the composite return is a return for purposes of subdivision 1.

(e) This subdivision does not negate the requirement that an individual pay estimated tax if the individual's liability would exceed the requirements set forth in section 289A.026. A composite estimate may, however, be filed in a manner similar to and containing the information required under paragraph (a).

(f) If an electing partner's share of the partnership's gross income from Minnesota sources is less than the filing requirements for a nonresident under this subdivision, the tax liability is zero. However, a statement showing the partner's share of gross income must be included as part of the composite return.

(g) *The election provided in this subdivision is not available to any partner other than a full-year nonresident individual who has no other Minnesota source income.*

(h) *A corporation defined in section 290.9725 and its nonresident shareholders may make an election under this paragraph. The provisions covering the partnership apply to the corporation and the provisions applying to the partner apply to the shareholder.*

(i) *Estates and trusts distributing current income only and the nonresident individual beneficiaries of the estates or trusts may make an election under this paragraph. The provisions covering the partnership apply to the estate or trust. The provisions applying to the partner apply to the beneficiary.*

Subd. 8. [RETURNS OF ENTERTAINMENT ENTITIES.] An entertainment entity subject to the tax imposed by section 290.9201 shall file an annual return for the calendar year with the commissioner.

Subd. 9. [VERIFICATION.] If a return is prepared for a taxpayer by an individual (or individuals) or a firm (including partnerships, corporations, etc.), the individual or firm responsible for the preparation must complete the statement of verification provided on the tax return forms in the following manner:

(1) If the individual (or individuals) responsible for the preparation of the return is an individual acting in a personal capacity, the statement of verification must be signed by the individual.

(2) If a firm is responsible for the preparation of the return, the statement of verification must be signed with the firm name. However, if the firm name is stamped or typed, it should be followed by the signature of an individual authorized to sign the verification on behalf of the firm. The firm may authorize an officer, member, or employee to sign the verification.

Verification is not required if the actual preparation of the return is a regular and usual incident of the employment of one regularly and continuously employed full time by the person for whom the return is made (such as a clerk, secretary, bookkeeper, etc.).

Subd. 10. [FILING OF PROPER RETURN.] The return must specifically set forth the items of gross income, deductions, credits against the tax, and any other data necessary for computing the amount of any item required for determining the amount of the net income tax liability. The return must be in the form the commissioner prescribes. The filing of a return required under this section is considered an assessment.

Subd. 11. [INFORMATION INCLUDED IN INCOME TAX RETURN.] The return must state the name of the taxpayer, or taxpayers, if the return is a joint return, and the address of the taxpayer in the same name or names and same address as the taxpayer has used in making the taxpayer's income tax return to the United States, and must state the social security number of the taxpayer, or taxpayers, if a social security number has been issued by the United States with respect to the taxpayers, and must state the amount of the taxable income of the taxpayer as it appears on the federal return for the taxable year to which the Minnesota state return applies. The taxpayer must attach to the taxpayer's Minnesota state income tax return a copy of the federal income tax return that the taxpayer has filed or is about to file for the period.

Subd. 12. [CONFESSION OF JUDGMENT.] The return must contain (1) a written declaration that it is correct and complete, and (2) language prescribed by the commissioner providing a confession of judgment for the amount of the tax shown due to the extent not timely paid.

Subd. 13. [LONG AND SHORT FORMS.] The commissioner shall provide a long form individual income tax return and may provide a short form individual income tax return. The returns shall be in a form that is consistent with the provisions of chapter 290, notwithstanding any other law to the contrary. The nongame wildlife checkoff provided in section 290.431 and the dependent care credit provided in section 290.067 must be included on the short form.

Subd. 14. [VOTER REGISTRATION FORM.] The commissioner shall insert securely in the individual income tax return form or instruction booklet a voter registration form, returnable to the secretary of state. The form shall be designed according to rules adopted by the secretary of state.

Sec. 4. [289A.0212] [FILING REQUIREMENTS FOR TAXES WITHHELD FROM WAGES FROM COMPENSATION OF ENTERTAINERS AND FROM PAYMENTS TO OUT-OF-STATE CONTRACTORS; AND TAXES WITHHELD BY PARTNERSHIPS AND SMALL BUSINESS CORPORATIONS.]

Subdivision 1. [RETURNS.] (a) An employer who is required to deduct and withhold tax under section 290.92, subdivision 2a or 3, and a person required to deduct and withhold tax under section 290.923, subdivision 2, must file a return with the commissioner for each quarterly period unless otherwise prescribed by the commissioner.

(b) A person or corporation required to make deposits under section 290.9201, subdivision 8, must file an entertainer withholding tax return with the commissioner.

(c) A person required to withhold an amount under section 290.9705, subdivision 1, must file a return.

(d) A partnership required to deduct and withhold tax under section 290.92, subdivision 4b, must file a return.

(e) An S corporation required to deduct and withhold tax under section 290.92, subdivision 4c, must also file a return.

(f) Returns must be filed in the form and contain the information prescribed by the commissioner. Every return must contain a written declaration that it is correct and complete, and a confession of judgment for the amount of tax shown due, to the extent not timely paid.

Subd. 2. [WITHHOLDING STATEMENT TO EMPLOYEE OR PAYEE AND TO COMMISSIONER.] (a) A person required to deduct and withhold from an employee a tax under section 290.92, subdivision 2a or 3, or section 290.923, subdivision 2, or who would have been required to deduct and withhold a tax under section 290.92, subdivision 2a or 3, or persons required to withhold tax under section 290.923, subdivision 2, determined without regard to section 290.92, subdivision 19, if the employee or payee had claimed no more than one withholding exemption, or who paid wages or made payments not subject to withholding under section 290.92, subdivision 2a or 3, or section 290.923, subdivision 2, to an employee or person receiving royalty payments in excess of \$600, or who has entered into a voluntary withholding agreement with a payee under section 290.92,

subdivision 20, must give every employee or person receiving royalty payments in respect to the remuneration paid by the person to the employee or person receiving royalty payments during the calendar year, on or before January 31 of the succeeding year, or, if employment is terminated before the close of the calendar year, within 30 days after the date of receipt of a written request from the employee if the 30-day period ends before January 31, a written statement showing the following:

(1) name of the person;

(2) the name of the employee or payee and the employee's or payee's social security account number;

(3) the total amount of wages as that term is defined in section 290.92, subdivision 1(1); the total amount of remuneration subject to withholding under section 290.92, subdivision 20; the amount of sick pay as required under section 6051(f) of the Internal Revenue Code of 1986, as amended through December 31, 1989; and the amount of royalties subject to withholding under section 290.923, subdivision 2; and

(4) the total amount deducted and withheld as tax under section 290.92, subdivision 2a or 3, or 290.923, subdivision 2.

(b) The statement required to be furnished by this paragraph with respect to any remuneration must be furnished at those times, must contain the information required, and must be in the form the commissioner prescribes.

(c) The commissioner may prescribe rules providing for reasonable extensions of time, not in excess of 30 days, to employers or payers required to give the statements to their employees or payees under this subdivision.

(d) A duplicate of any statement made under this subdivision and in accordance with rules prescribed by the commissioner, along with a reconciliation in the form the commissioner prescribes of the statements for the calendar year, including a reconciliation of the quarterly returns required to be filed under subdivision 1, must be filed with the commissioner on or before February 28 of the year after the payments were made.

(e) The employer must submit the statements required to be sent to the commissioner on magnetic media, if the magnetic media was required to satisfy the federal reporting requirements of section 6011(e) of the Internal Revenue Code of 1986, as amended through December 31, 1989, and the regulations issued under it.

Sec. 5. [289A.0214] [FILING REQUIREMENTS FOR ESTATE TAX RETURNS.]

Subdivision 1. [RETURN REQUIRED.] In the case of a decedent who has an interest in property with a situs in Minnesota, the personal representative must submit a Minnesota estate tax return to the commissioner, on a form prescribed by the commissioner, in instances in which a federal estate tax return is required to be filed.

The return must be accompanied by a federal estate tax return, a schedule of the assets in the estate at their date of death values, and must contain a computation of the Minnesota estate tax due. The return must be signed by the personal representative.

Subd. 2. [DOCUMENTS REQUIRED.] The commissioner may designate on the return the documents that are required to be filed together with the return to determine the computation of tax.

Subd. 3. [DEFINITIONS.] For purposes of this section, the definitions contained in section 291.005 apply.

Sec. 6. [289A.0216] [FILING REQUIREMENTS FOR SALES AND USE TAX RETURNS.]

Subdivision 1. [RETURN REQUIRED.] Except as provided in section 289A.023, subdivision 4, for the month in which taxes imposed by sections 297A.01 to 297A.44 are payable, or for which a return is due, a return for the preceding reporting period must be filed with the commissioner in the form the commissioner prescribes. The return must be verified by a written declaration that it is made under the criminal penalties for making a false return, and in addition must contain a confession of judgment for the amount of the tax shown due to the extent not timely paid. A person making sales at retail at two or more places of business may file a consolidated return subject to rules prescribed by the commissioner.

Subd. 2. [LIQUOR SALES.] A person required to collect the tax imposed by section 297A.02, subdivision 3, on sales of intoxicating liquor and nonintoxicating malt liquor, shall report the total sales tax liability, including the sales tax on items other than intoxicating liquor and nonintoxicating malt liquor, on a distinct sales tax return prescribed by the commissioner.

Subd. 3. [WHO MUST FILE RETURN.] For purposes of the sales tax, a return must be filed by a retailer who is required to hold a permit. For the purposes of the use tax, a return must be filed by a retailer required to collect the tax and by a person buying any items, the storage, use or other consumption of which is subject to the use tax, who has not paid the use tax to a retailer required to collect the tax. The returns must be signed by the person filing the return or by the person's agent duly authorized in writing.

Sec. 7. [289A.0218] [FILING REQUIREMENTS FOR INFORMATION RETURNS AND REPORTS.]

Subdivision 1. [REPORTS BY EXEMPT CORPORATIONS, ORGANIZATIONS, ESTATES, AND TRUSTS.] Corporations, estates, trusts, and organizations exempt from state income and franchise taxes under section 290.05, subdivision 2, must file with the commissioner of revenue an initial report that furnishes the information required under section 290.05, subdivision 4, paragraph (a), and later annual reports as required by section 290.05, subdivision 4.

Subd. 2. [RETURNS REQUIRED OF BANKS; COMMON TRUST FUNDS.] A bank maintaining a common trust fund must make a return for a taxable year, stating specifically with respect to the fund, the items of gross income and deductions provided by section 290.281, subdivision 1. The return must include the names and addresses of the participants entitled to share the net income if distributed and the amount of the proportionate share of each participant.

Subd. 3. [RETURNS OR REPORTS BY PARTNERSHIPS, FIDUCIARIES, AND S CORPORATIONS.] (a) Partnerships must make a return for each taxable year. The return must conform to the requirements of section 290.31, and must include the names and addresses of the partners entitled to a distributive share in their taxable net income, gain, loss, or credit, and the amount of the distributive share to which each is entitled. The return must contain a written declaration that it is correct and complete. A partnership required to file a return for a partnership taxable year must

furnish a copy of the information required to be shown on the return to a person who is a partner at any time during the taxable year, on or before the day on which the return for the taxable year was filed.

(b) The fiduciary of an estate or trust making the return required to be filed under section 289A.021, subdivision 2, for a taxable year must give a beneficiary who receives a distribution from the estate or trust with respect to the taxable year or to whom any item with respect to the taxable year is allocated, a statement containing the information required to be shown on the return, on or before the date on which the return was filed.

(c) An S corporation must make a return for a taxable year during which an election under section 290.9725 is in effect, stating specifically the names and addresses of the persons owning stock in the corporation at any time during the taxable year, the number of shares of stock owned by a shareholder at all times during the taxable year, the shareholder's pro rata share of each item of the corporation for the taxable year, and other information the commissioner requires. An S corporation required to file a return under this paragraph for any taxable year must furnish a copy of the information shown on the return to the person who is a shareholder at any time during the taxable year, on or before the day on which the return for the taxable year was filed.

Subd. 4. [RETURNS BY PERSONS, CORPORATIONS, COOPERATIVES, GOVERNMENTAL ENTITIES, OR SCHOOL DISTRICTS.] *To the extent required by section 6041 of the Internal Revenue Code of 1986, as amended through December 31, 1989, a person, corporation, or cooperative, the state of Minnesota and its political subdivisions, and a city, county, and school district in Minnesota, making payments in the regular course of a trade or business during the taxable year to any person or corporation of \$600 or more on account of rents or royalties, or of \$10 or more on account of interest, or \$10 or more on account of dividends or patronage dividends, or \$600 or more on account of either wages, salaries, commissions, fees, prizes, awards, pensions, annuities, or any other fixed or determinable gains, profits or income, not otherwise reportable under section 289A.0212, subdivision 2, or on account of earnings of \$10 or more distributed to its members by savings, building and loan associations or credit unions chartered under the laws of this state or the United States, (1) must make a return (except in cases where a valid agreement to participate in the combined federal and state information reporting system has been entered into, and the return is filed only with the commissioner of internal revenue under the applicable filing and informational reporting requirements of the Internal Revenue Code of 1986, as amended through December 31, 1989) with respect to the payments in excess of the amounts named, giving the names and addresses of the persons to whom the payments were made, the amounts paid to each, and (2) must make a return with respect to the total number of payments and total amount of payments, for each category of income named, which were in excess of the amounts named. This subdivision does not apply to the payment of interest or dividends to a person who was a nonresident of Minnesota for the entire year.*

A person, corporation, or cooperative required to file returns under this subdivision must file the returns on magnetic media if magnetic media was used to satisfy the federal reporting requirement under section 6011(e) of the Internal Revenue Code of 1986, as amended through December 31, 1989, unless the person establishes to the satisfaction of the commissioner that compliance with this requirement would be an undue hardship.

Subd. 5. [RETURNS BY BROKERS.] The commissioner may, within 30 days after notice and demand, require a person doing business as a broker to give the commissioner the names and addresses of customers for whom they have transacted business, and the details regarding gross proceeds and other information concerning the transactions as will enable the commissioner to determine whether the income tax due on profits or gains of those customers has been paid. The provisions of section 6045 of the Internal Revenue Code of 1986, as amended through December 31, 1989, which define terms and require that a statement be furnished to the customer apply.

Subd. 6. [RETURNS BY AGENTS.] The commissioner may, within 30 days after notice and demand, require a person acting as agent for another to make a return furnishing the information reasonably necessary to properly assess and collect the tax imposed by chapter 290 upon the person for whom the agent acts.

Subd. 7. [RETURNS FOR REAL PROPERTY HOLDINGS OF ALIENS.] A person or corporation required to make a return under section 6039C (relating to information return on a foreign person holding a United States real property interest) of the Internal Revenue Code of 1986, as amended through December 31, 1989, must make a similar return for the commissioner for foreign persons holding a Minnesota real property interest.

Subd. 8. [RETURNS FOR UNEMPLOYMENT COMPENSATION.] A person who makes payments of unemployment compensation totaling \$10 or more to any individual during a calendar year and who is required to make and file a return under section 6050B of the Internal Revenue Code of 1986, as amended through December 31, 1989, must file a copy of the return with the commissioner.

Subd. 9. [RETURNS FOR PAYMENTS OF REMUNERATION FOR SERVICES AND DIRECT SALES.] A person who is required to make a return under section 6041A (relating to information returns regarding payments of remuneration for services and direct sales) of the Internal Revenue Code of 1986, as amended through December 31, 1989, must file a copy of the return containing the information required under that section with the commissioner. The provisions of that section govern the requirements of a statement that must be given to persons with respect to whom information is required to be given.

Subd. 10. [RETURNS RELATING TO SOCIAL SECURITY BENEFITS.] The appropriate federal official who is required to make a return under section 6050F (relating to social security benefits) of the Internal Revenue Code of 1986, as amended through December 31, 1989, shall file a copy of the return containing the information required under that section with the commissioner.

Subd. 11. [RETURNS BY TRUSTEES.] The trustee of an individual retirement account and the issuer of an endowment contract or an individual retirement annuity who is required to make a report under section 408(i) of the Internal Revenue Code of 1986, as amended through December 31, 1989, must file with the commissioner a copy of that report containing the information required under that subsection. The provisions of that subsection govern when the reports are to be filed and the requirements of a statement that must be given to persons with respect to whom information must be given.

Subd. 12. [STATEMENTS TO PAYEES.] A person making a return under subdivisions 4 to 10 must furnish to a person whose name is set forth in the return a written statement showing the name and address of the person making the return, and the aggregate amount of payments to the person shown on the return.

This written statement must be given to the person on or before January 31 of the year following the calendar year for which the return was made. A duplicate of this written statement, along with a reconciliation of all the statements for the calendar year in the form the commissioner prescribes, must be furnished to the commissioner on or before February 28 of the year following the calendar year for which the return was made.

Subd. 13. [SUPPLYING OF SOCIAL SECURITY NUMBER.] An individual with respect to whom a return, statement, or other document is required under this section to be made by another person must furnish to that person the individual's social security account number. A person required under this section to make a return, statement, or other document with respect to another person who is an individual must request from that individual and must include in the return, statement, or other document the individual's social security account number. A return of an estate or trust with respect to its liability for tax, and any statement or other document in its support, is considered a return, statement, or other document with respect to the individual beneficiary of the estate or trust; otherwise, a return of an individual with respect to the individual's liability for tax, or any statement or other document in its support, is not considered a return, statement, or other document with respect to another person.

Sec. 8. [289A.023] [DUE DATES FOR FILING OF RETURNS.]

Subdivision 1. [INDIVIDUAL INCOME, FIDUCIARY INCOME, CORPORATE FRANCHISE, AND ENTERTAINMENT TAXES; PARTNERSHIP AND S CORPORATION RETURNS; INFORMATION RETURNS.] The returns required to be made under sections 289A.021 and 289A.0218 must be filed at the following times:

(1) returns made on the basis of the calendar year must be filed on April 15 following the close of the calendar year, except that returns of corporations must be filed on March 15 following the close of the calendar year;

(2) returns made on the basis of the fiscal year must be filed on the 15th day of the fourth month following the close of the fiscal year, except that returns of corporations must be filed on the 15th day of the third month following the close of the fiscal year;

(3) returns for a fractional part of a year must be filed on the 15th day of the fourth month following the end of the month in which falls the last day of the period for which the return is made, except that the returns of corporations must be filed on the 15th day of the third month following the end of the month in which falls the last day of the period for which the return is made;

(4) in the case of a final return of a decedent for a fractional part of a year, the return must be filed on the 15th day of the fourth month following the close of the 12-month period that began with the first day of that fractional part of a year;

(5) in the case of the return of a cooperative association, returns must be filed on or before the 15th day of the ninth month following the close

of the taxable year;

(6) if a corporation has been divested from a unitary group and files a return for a fractional part of a year in which it was a member of a unitary business that files a combined report under section 290.34, subdivision 2, the divested corporation's return must be filed on the 15th day of the third month following the close of the common accounting period that includes the fractional year; and

(7) returns of entertainment entities must be filed on April 15 following the close of the calendar year.

Subd. 2. [WITHHOLDING RETURNS, ENTERTAINER WITHHOLDING RETURNS, RETURNS FOR WITHHOLDING FROM PAYMENTS TO OUT-OF-STATE CONTRACTORS, AND WITHHOLDING RETURNS FROM PARTNERSHIPS AND SMALL BUSINESS CORPORATIONS.] *Withholding returns are due on or before the last day of the month following the close of the quarterly period. However, if the return shows timely deposits in full payment of the taxes due for that period, the return may be filed on or before the tenth day of the second calendar month following the period. An employer, in preparing a quarterly return, may take credit for monthly deposits previously made for that quarter. Entertainer withholding tax returns are due within 30 days after each performance. Returns for withholding from payments to out-of-state contractors are due within 30 days after the payment to the contractor. Returns for withholding by partnerships are due on or before the due date specified for filing partnership returns. Returns for withholding by small business corporations are due on or before the due date specified for filing corporate franchise tax returns.*

Subd. 3. [ESTATE TAX RETURNS.] *An estate tax return must be filed with the commissioner within nine months after the decedent's death.*

Subd. 4. [SALES AND USE TAX RETURNS.] *Sales and use tax returns must be filed on or before the 20th day of the month following the close of the preceding reporting period. In addition, on or before June 20 of a year, a retailer who has a May liability of \$1,500 or more must file a return with the commissioner for one-half of the estimated June liability, in addition to filing a return for the May liability. On or before August 20 of a year, the retailer must file a return showing the actual June liability.*

Subd. 5. [PROPERTY TAX REFUND CLAIMS.] *A claim for a refund based on property taxes payable must be filed with the commissioner on or before August 15 of the year in which the property taxes are due and payable. Any claim for refund based on rent paid must be filed on or before August 15 of the year following the year in which the rent was paid.*

Sec. 9. [289A.024] [EXTENSIONS FOR FILING RETURNS.]

Subdivision 1. [INDIVIDUAL INCOME, FIDUCIARY INCOME, ENTERTAINMENT TAX, AND INFORMATION RETURNS.] *When, in the commissioner's judgment, good cause exists, the commissioner may extend the time for filing individual and fiduciary income tax returns, entertainment tax returns, and information returns for not more than six months. If an extension to file the federal individual or fiduciary income tax return or information return has been granted under section 6081 of the Internal Revenue Code of 1986, as amended through December 31, 1989, the time for filing the state return is extended for that period. The commissioner may require the taxpayer to file a tentative return when the*

regularly required return is due, and to pay a tax on the basis of the tentative return at the times required for the payment of taxes on the basis of the regularly required return from the taxpayer.

Subd. 2. [CORPORATE FRANCHISE TAXES.] The commissioner may grant an extension of up to seven months for filing the return of a corporation subject to tax under chapter 290 if:

(1) the corporation files a tentative return when the regularly required return is due;

(2) the corporation pays the tax on the basis of the tentative return and the amount of tax, determined without regard to any prepayment of tax, shown on the tentative return, or the amount of tax paid on or before the regular due date of the return, is at least 90 percent of the amount shown on the corporation's regularly required return;

(3) the balance due shown on the regularly required return is paid on or before the extended due date of the return; and

(4) interest on any balance due is paid at the rate specified in section 270.75 from the regular due date of the return until the tax is paid.

Subd. 3. [WITHHOLDING RETURNS.] Where good cause exists, the commissioner may grant an extension of time of not more than 60 days for filing a withholding return.

Subd. 4. [ESTATE TAX RETURNS.] Where good cause exists, the commissioner may extend the time for filing an estate tax return for not more than six months. When an extension to file the federal estate tax return has been granted under section 6081 of the Internal Revenue Code of 1986, as amended through December 31, 1989, the time for filing the estate tax return is extended for that period.

Subd. 5. [SALES AND USE TAX RETURNS.] Where good cause exists, the commissioner may extend the time for filing sales and use tax returns for not more than 60 days.

Subd. 6. [PROPERTY TAX REFUND RETURNS.] Where good cause exists, the commissioner may extend the time for filing claims under chapter 290A for not more than six months. A claim filed after the original or extended due date shall be allowed if the initial claim is filed within one year after the original due date for filing the claim, subject to the provisions of section 289A.14, subdivision 12, paragraph (e).

Sec. 10. [289A.025] [DUE DATES FOR MAKING PAYMENTS OF TAX.]

Subdivision 1. [INDIVIDUAL INCOME, FIDUCIARY INCOME, CORPORATE FRANCHISE, AND ENTERTAINMENT TAXES.] (a) Individual income, fiduciary, and corporate franchise taxes must be paid to the commissioner on or before the date the return must be filed under section 289A.023, subdivision 1, or the extended due date as provided in section 289A.024, unless an earlier date for payment is provided.

Notwithstanding any other law, a taxpayer whose unpaid liability for income or corporate franchise taxes, as reflected upon the return, is \$1 or less need not pay the tax.

(b) Entertainment taxes must be paid on or before the date the return must be filed under section 289A.023, subdivision 1.

Subd. 2. [WITHHOLDING FROM WAGES, ENTERTAINER WITHHOLDING, WITHHOLDING FROM PAYMENTS TO OUT-OF-STATE CONTRACTORS, AND WITHHOLDING BY PARTNERSHIPS AND SMALL BUSINESS CORPORATIONS.] (a) A tax required to be deducted and withheld during the quarterly period must be paid on or before the last day of the month following the close of the quarterly period, unless an earlier time for payment is provided. A tax required to be deducted and withheld from compensation of an entertainer and from a payment to an out-of-state contractor must be paid on or before the date the return for such tax must be filed under section 289A.023, subdivision 2. Taxes required to be deducted and withheld by partnerships and S corporations must be paid on or before the date the return must be filed under section 289A.023, subdivision 2.

(b)(1) Unless clause (2) applies, if during any calendar month, other than the last month of the calendar quarter, the aggregate amount of the tax withheld during that quarter under section 290.92, subdivision 2a or 3, or under section 290.923, subdivision 2, exceeds \$500, the employer shall deposit the aggregate amount with the commissioner within 15 days after the close of the calendar month. (2) If at the close of any eighth-monthly period the aggregate amount of undeposited taxes is \$3,000 or more, the employer, or person withholding tax under section 290.92, subdivision 2a or 3, or section 290.923, subdivision 2, shall deposit the undeposited taxes with the commissioner within three banking days after the close of the eighth-monthly period. For purposes of this clause, the term "eighth-monthly period" means the first three days of a calendar month, the fourth day through the seventh day of a calendar month, the eighth day through the 11th day of a calendar month, the 12th day through the 15th day of a calendar month, the 16th day through the 19th day of a calendar month, the 20th day through the 22nd day of a calendar month, the 23rd day through the 25th day of a calendar month, or the part of a calendar month following the 25th day of the month.

(c) The commissioner may prescribe by rule other return periods or deposit requirements. In prescribing the reporting period, the commissioner may classify payors according to the amount of their tax liability and may adopt an appropriate reporting period for the class that the commissioner judges to be consistent with efficient tax collection. In no event will the duration of the reporting period be more than one year.

(d) If less than the correct amount of tax is paid to the commissioner, proper adjustments with respect to both the tax and the amount to be deducted must be made, without interest, in the manner and at the times the commissioner prescribes. If the underpayment cannot be adjusted, the amount of the underpayment will be assessed and collected in the manner and at the times the commissioner prescribes.

Subd. 3. [ESTATE TAX.] Taxes imposed by chapter 291 take effect at and upon the death of the person whose estate is subject to taxation and are due and payable on or before the expiration of nine months from that death.

Subd. 4. [SALES AND USE TAX.] (a) The taxes imposed by chapter 297A are due and payable to the commissioner monthly on or before the 20th day of the month following the month in which the taxable event occurred or following another reporting period as the commissioner prescribes.

(b) A vendor having a liability of \$1,500 or more in May of a year must remit the June liability in the following manner:

(1) On or before June 20 of the year, the vendor must remit the actual May liability and one-half of the estimated June liability to the commissioner.

(2) On or before August 20 of the year, the vendor must pay any additional amount of tax not remitted in June.

(c) When a retailer located outside of a city that imposes a local sales and use tax collects use tax to be remitted to that city, the retailer is not required to remit the tax until the amount collected reaches \$10.

Sec. 11. [289A.026] [PAYMENT OF ESTIMATED TAX BY INDIVIDUALS.]

Subdivision 1. [REQUIREMENTS TO PAY.] An individual must, when prescribed in subdivision 3, paragraph (b), make payments of estimated tax. The term "estimated tax" means the amount the individual estimates is the sum of the taxes imposed by chapter 290 for the taxable year. If the individual is an infant or incompetent person, the payments must be made by the individual's guardian. If joint payments on estimated tax are made but a joint return is not made for the taxable year, the estimated tax for that year may be treated as the estimated tax of either the husband or the wife or may be divided between them.

Notwithstanding the provisions of this section, no payments of estimated tax are required if the estimated tax, as defined in this subdivision, less the credits allowed against the tax, is less than \$500.

Subd. 2. [ADDITIONS TO TAX FOR UNDERPAYMENT.] (a) In the case of any underpayment of estimated tax by an individual, except as provided in subdivision 6 or 7, there must be added to and become a part of the taxes imposed by chapter 290, for the taxable year an amount determined at the rate specified in section 270.75 upon the amount of the underpayment for the period of the underpayment.

(b) For purposes of paragraph (a), the amount of underpayment shall be the excess of

(1) the amount of the installment required to be paid, over

(2) the amount, if any, of the installment paid on or before the last day prescribed for the payment.

Subd. 3. [PERIOD OF UNDERPAYMENT.] (a) The period of the underpayment shall run from the date the installment was required to be paid to the earlier of the following dates:

(1) The 15th day of the fourth month following the close of the taxable year.

(2) With respect to any part of the underpayment, the date on which that part is paid. For purposes of this clause, a payment of estimated tax on any installment date is considered a payment of any unpaid required installments in the order in which the installments are required to be paid.

(b) For purposes of this subdivision, there shall be four required installments for a taxable year. The times for payment of installments shall be:

*For the following
required installments:*

The due date is:

1st	April 15
2nd	June 15
3rd	September 15
4th	January 15 of the following taxable year

Subd. 4. [NO ADDITION TO TAX WHERE TAX IS SMALL.] *No addition to tax is imposed under subdivision 2 for a taxable year if the tax shown on the return for the taxable year (or, if no return is filed, the tax) reduced by the credits allowable is less than \$500.*

Subd. 5. [AMOUNT OF REQUIRED INSTALLMENT.] *The amount of any installment required to be paid shall be 25 percent of the required annual payment except as provided in clause (3). The term "required annual payment" means the lesser of*

(1) *90 percent of the tax shown on the return for the taxable year or 90 percent of the tax for the year if no return is filed, or*

(2) *the total tax liability shown on the return of the individual for the preceding taxable year, if a return showing a liability for the taxes was filed by the individual for the preceding taxable year of 12 months, or*

(3) *an amount equal to the applicable percentage of the tax for the taxable year computed by placing on an annualized basis the taxable income and alternative minimum taxable income for the months in the taxable year ending before the month in which the installment is required to be paid. The applicable percentage of the tax is 22.5 percent in the case of the first installment, 45 percent for the second installment, 67.5 percent for the third installment, and 90 percent for the fourth installment. For purposes of this clause, the taxable income and alternative minimum taxable income shall be placed on an annualized basis by*

(i) *multiplying by 12 (or in the case of a taxable year of less than 12 months, the number of months in the taxable year) the taxable income and alternative minimum taxable income computed for the months in the taxable year ending before the month in which the installment is required to be paid; and*

(ii) *dividing the resulting amount by the number of months in the taxable year ending before the month in which the installment date falls.*

Subd. 6. [EXCEPTION TO ADDITION TO TAX.] *No addition to the tax shall be imposed under this section for any taxable year if:*

(1) *the individual did not have liability for tax for the preceding taxable year,*

(2) *the preceding taxable year was a taxable year of 12 months, and*

(3) *the individual was a resident of Minnesota throughout the preceding taxable year.*

Subd. 7. [WAIVER OF ADDITION TO TAX.] *No addition to the tax is imposed under this section with respect to an underpayment to the extent the commissioner determines that the provisions of section 6654(e)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1989, apply.*

Subd. 8. [APPLICATION OF SECTION; TAX WITHHELD ON WAGES.] *For purposes of this section, the estimated tax must be computed without*

reduction for the amount that the individual estimates as the individual's credit under section 290.92, subdivision 12 (relating to tax withheld at source on wages), and any other refundable credits allowed against income tax liability, and the amount of those credits for the taxable year is considered a payment of estimated tax, and an equal part of those amounts is considered paid on the installment date, determined under subdivision 3, paragraph (b), for that taxable year, unless the taxpayer establishes the dates on which the amounts were actually withheld, in which case the amounts so withheld are considered payments of estimated tax on the dates on which the amounts were actually withheld.

Subd. 9. [SPECIAL RULE FOR RETURN FILED ON OR BEFORE JANUARY 31.] *If, on or before January 31 of the following taxable year, the taxpayer files a return for the taxable year and pays in full the amount computed on the return as payable, then no addition to tax is imposed under subdivision 2 with respect to any underpayment of the fourth required installment for the taxable year.*

Subd. 10. [SPECIAL RULE FOR FARMERS AND FISHERMEN.] *For purposes of this section, if an individual is a farmer or fisherman as defined in section 6654(f)(2) of the Internal Revenue Code of 1986, as amended through December 31, 1989, for a taxable year, only one installment is required for the taxable year, the due date of which is January 15 of the following taxable year, the amount of which is equal to the required annual payment determined under subdivision 5 by substituting "66-2/3 percent" for "90 percent," and subdivision 9 shall be applied by substituting "March 1" for "January 31," and by treating the required installment described as the fourth required installment.*

Subd. 11. [FISCAL YEAR TAXPAYER.] *The application of this section to taxable years beginning other than January 1 must be made by substituting, for the months named in this section, the months that correspond. This section must be applied to taxable years of less than 12 months, under rules issued by the commissioner.*

Subd. 12. [TRUSTS AND ESTATES.] *The provisions of this section do not apply to an estate or trust.*

Subd. 13. [OVERPAYMENT OF ESTIMATED TAX INSTALLMENT.] *If an installment payment of estimated tax exceeds the correct amount of the installment payment, the overpayment must be credited against the unpaid installments, if any.*

Sec. 12. [289A.027] [PAYMENT OF ESTIMATED TAX BY CORPORATIONS.]

Subdivision 1. [MINIMUM LIABILITY.] *A corporation subject to taxation under chapter 290 (excluding section 290.92) must make payment of estimated tax for the taxable year if its tax liability so computed can reasonably be expected to exceed \$500, or in accordance with rules prescribed by the commissioner for an affiliated group of corporations electing to file one return as permitted under section 289A.021, subdivision 3.*

Subd. 2. [AMOUNT AND TIME FOR PAYMENT OF INSTALLMENTS.] *The estimated tax payment required under subdivision 1 must be paid in four equal installments on or before the 15th day of the third, sixth, ninth, and 12th month of the taxable year.*

Subd. 3. [SHORT TAXABLE YEAR.] *(a) A corporation with a short*

taxable year of less than 12 months, but at least four months, must pay estimated tax in equal installments on or before the 15th day of the third, sixth, ninth, and final month of the short taxable year, to the extent applicable based on the number of months in the short taxable year.

(b) A corporation is not required to make estimated tax payments for a short taxable year unless its tax liability before the first day of the last month of the taxable year can reasonably be expected to exceed \$500.

(c) No payment is required for a short taxable year of less than four months.

Subd. 4. [UNDERPAYMENT OF ESTIMATED TAX.] If there is an underpayment of estimated tax by a corporation, there shall be added to the tax for the taxable year an amount determined at the rate in section 270.75 on the amount of the underpayment, determined under subdivision 5, for the period of the underpayment determined under subdivision 6. This subdivision does not apply in the first taxable year that a corporation is subject to the tax imposed under section 290.02.

Subd. 5. [AMOUNT OF UNDERPAYMENT.] For purposes of subdivision 4, the amount of the underpayment is the excess of

(1) the required installment, over

(2) the amount, if any, of the installment paid on or before the last date prescribed for payment.

Subd. 6. [PERIOD OF UNDERPAYMENT.] The period of the underpayment runs from the date the installment was required to be paid to the earlier of the following dates:

(1) the 15th day of the third month following the close of the taxable year; or

(2) with respect to any part of the underpayment, the date on which that part is paid. For purposes of this clause, a payment of estimated tax shall be credited against unpaid required installments in the order in which those installments are required to be paid.

Subd. 7. [REQUIRED INSTALLMENTS.] (a) Except as otherwise provided in this subdivision, the amount of a required installment is 25 percent of the required annual payment.

(b) Except as otherwise provided in this subdivision, the term "required annual payment" means the lesser of:

(1) 90 percent of the tax shown on the return for the taxable year, or if no return is filed, 90 percent of the tax for that year; or

(2) 100 percent of the tax shown on the return of the corporation for the preceding taxable year provided the return was for a full 12-month period, showed a liability, and was filed by the corporation.

(c) Except for determining the first required installment for any taxable year, paragraph (b), clause (2), does not apply in the case of a large corporation. The term "large corporation" means a corporation or any predecessor corporation that had taxable net income of \$1,000,000 or more for any taxable year during the testing period. The term "testing period" means the three taxable years immediately preceding the taxable year involved. A reduction allowed to a large corporation for the first installment that is allowed by applying paragraph (b), clause (2), must be

recaptured by increasing the next required installment by the amount of the reduction.

(d) In the case of a required installment, if the corporation establishes that the annualized income installment is less than the amount determined in paragraph (a), the amount of the required installment is the annualized income installment and the recapture of previous quarters' reductions allowed by this paragraph must be recovered by increasing later required installments to the extent the reductions have not previously been recovered.

(e) The "annualized income installment" is the excess, if any, of:

(1) an amount equal to the applicable percentage of the tax for the taxable year computed by placing on an annualized basis the taxable income:

(i) for the first two months of the taxable year, in the case of the first required installment;

(ii) for the first two months or for the first five months of the taxable year, in the case of the second required installment;

(iii) for the first six months or for the first eight months of the taxable year, in the case of the third required installment; and

(iv) for the first nine months or for the first 11 months of the taxable year, in the case of the fourth required installment, over

(2) the aggregate amount of any prior required installments for the taxable year.

(3) For the purpose of this paragraph, the annualized income shall be computed by placing on an annualized basis the taxable income for the year up to the end of the month preceding the due date for the quarterly payment multiplied by 12 and dividing the resulting amount by the number of months in the taxable year (2, 5, 6, 8, 9, or 11 as the case may be) referred to in clause (1).

(4) The "applicable percentage" used in clause (1) is:

For the following required installments:	The applicable percentage is:
1st	22.5
2nd	45
3rd	67.5
4th	90

(f)(1) If this paragraph applies, the amount determined for any installment must be determined in the following manner:

(i) take the taxable income for the months during the taxable year preceding the filing month;

(ii) divide that amount by the base period percentage for the months during the taxable year preceding the filing month;

(iii) determine the tax on the amount determined under item (ii); and

(iv) multiply the tax computed under item (iii) by the base period percentage for the filing month and the months during the taxable year preceding the filing month.

(2) For purposes of this paragraph:

(i) the "base period percentage" for a period of months is the average percent that the taxable income for the corresponding months in each of the three preceding taxable years bears to the taxable income for the three preceding taxable years;

(ii) the term "filing month" means the month in which the installment is required to be paid;

(iii) this paragraph only applies if the base period percentage for any six consecutive months of the taxable year equals or exceeds 70 percent; and

(iv) the commissioner may provide by rule for the determination of the base period percentage in the case of reorganizations, new corporations, and other similar circumstances.

(3) In the case of a required installment determined under this paragraph, if the corporation determines that the installment is less than the amount determined in paragraph (a), the amount of the required installment is the amount determined under this paragraph and the recapture of previous quarters' reductions allowed by this paragraph must be recovered by increasing later required installments to the extent the reductions have not previously been recovered.

Subd. 8. [DEFINITION OF TAX.] The term "tax" as used in this section means the tax imposed by chapter 290.

Subd. 9. [FAILURE TO FILE AN ESTIMATE.] In the case of a corporation that fails to file an estimated tax for a taxable year when one is required, the period of the underpayment runs from the four installment dates in subdivision 2 or 3, whichever applies, to the earlier of the periods in subdivision 6, clauses (1) and (2).

Subd. 10. [PAYMENT ON ACCOUNT.] Payment of the estimated tax or any installment of it shall be considered payment on account of the taxes imposed by chapter 290, for the taxable year.

Subd. 11. [OVERPAYMENT OF ESTIMATED TAX INSTALLMENT.] If the amount of an installment payment of estimated tax exceeds the amount determined to be the correct amount of the installment payment, the overpayment must be credited against the unpaid installments, if any.

Sec. 13. [289A.028] [EXTENSIONS FOR PAYING TAX.]

Subdivision 1. [INDIVIDUAL AND FIDUCIARY INCOME, CORPORATE FRANCHISE TAX.] Where good cause exists, the commissioner may extend the time for payment of the amount determined as an individual or fiduciary income tax or corporate franchise tax by the taxpayer, or an amount determined as a deficiency, for a period of not more than six months from the date prescribed for the payment of the tax.

Subd. 2. [ESTATE TAX.] Where good cause exists, the commissioner may extend the time for payment of estate tax for a period of not more than six months. If an extension to pay the federal estate tax has been granted under section 6161 of the Internal Revenue Code of 1986, as amended through December 31, 1989, the time for payment of the estate tax without penalty is extended for that period. A taxpayer who owes at least \$5,000 in taxes and who, under section 6161 or 6166 of the Internal Revenue Code of 1986, as amended through December 31, 1989, has been granted an extension for payment of the tax shown on the return, may elect

to pay the tax due to the commissioner in equal amounts at the same time as required for federal purposes. A taxpayer electing to pay the tax in installments must notify the commissioner in writing no later than nine months after the death of the person whose estate is subject to taxation. If the taxpayer fails to pay an installment on time, unless it is shown that the failure is due to reasonable cause, the election is revoked and the entire amount of unpaid tax plus accrued interest is due and payable 90 days after the date on which the installment was payable.

Sec. 14. [289A.029] [LIABILITY FOR PAYMENT OF TAX.]

Subdivision 1. [INDIVIDUAL INCOME, FIDUCIARY INCOME, CORPORATE FRANCHISE, AND ENTERTAINMENT TAXES.] (a) Individual income, fiduciary income, and corporate franchise taxes, and interest and penalties, must be paid by the taxpayer upon whom the tax is imposed, except in the following cases:

(1) The tax due from a decedent for that part of the taxable year in which the decedent died during which the decedent was alive and the taxes, interest, and penalty due for the prior years must be paid by the decedent's personal representative, if any. If there is no personal representative, the taxes, interest, and penalty must be paid by the transferees, as defined in section 289A.06, subdivision 13, to the extent they receive property from the decedent;

(2) The tax due from an infant or other incompetent person must be paid by the person's guardian or other person authorized or permitted by law to act for the person;

(3) The tax due from the estate of a decedent must be paid by the estate's personal representative;

(4) The tax due from a trust, including those within the definition of a corporation, as defined in section 290.01, subdivision 4, must be paid by a trustee; and

(5) The tax due from a taxpayer whose business or property is in charge of a receiver, trustee in bankruptcy, assignee, or other conservator, must be paid by the person in charge of the business or property so far as the tax is due to the income from the business or property.

(b) Entertainment taxes are the joint and several liability of the entertainer and the entertainment entity. The payor is liable to the state for the payment of the tax required to be deducted and withheld under section 290.9201, subdivision 7, and is not liable to the entertainer for the amount of the payment.

Subd. 2. [JOINT INCOME TAX RETURNS.] If a joint income tax return is made by a husband and wife, the liability for the tax is joint and several. A spouse who is relieved of a liability attributable to a substantial underpayment under section 6013(e) of the Internal Revenue Code of 1986, as amended through December 31, 1989, is also relieved of the state income tax liability on the substantial underpayment.

In the case of individuals who were a husband and wife prior to the dissolution of their marriage, for tax liabilities reported on a joint or combined return, the liability of each person is limited to the proportion of the tax due on the return that equals that person's proportion of the total tax due if the husband and wife filed separate returns for the taxable year. This provision is effective only when the commissioner receives written

notice of the marriage dissolution from the husband or wife. No refund may be claimed by an ex-spouse for any taxes paid before receipt by the commissioner of the written notice.

Subd. 3. [TRANSFEREES AND FIDUCIARIES.] The amounts of the following liabilities are, except as otherwise provided in section 289A.06, subdivision 13, assessed, collected, and paid in the same manner and subject to the same provisions and limitations as a deficiency in a tax imposed by chapter 290, including any provisions of law for the collection of taxes:

- (1) the liability, at law or in equity, of a transferee of property of a taxpayer for tax, including interest, additional amounts, and additions to the tax provided by law, imposed upon the taxpayer by chapter 290; and*
- (2) the liability of a fiduciary under subdivision 4 for the payment of tax from the estate of the taxpayer. The liability may reflect the amount of tax shown on the return or any deficiency in tax.*

Subd. 4. [TAX AS A PERSONAL DEBT OF A FIDUCIARY.] The tax imposed by chapter 290, and interest and penalties, is a personal debt of the taxpayer from the time the liability arises, regardless of when the time for discharging the liability by payment occurs. The debt is, in the case of the personal representative of the estate of a decedent and in the case of any fiduciary, that of the individual in the individual's official or fiduciary capacity only, unless the individual has voluntarily distributed the assets held in that capacity without reserving sufficient assets to pay the tax, interest, and penalties, in which event the individual is personally liable for the deficiency.

Subd. 5. [WITHHOLDING TAX, WITHHOLDING FROM PAYMENTS TO OUT-OF-STATE CONTRACTORS, AND WITHHOLDING BY PARTNERSHIPS AND SMALL BUSINESS CORPORATIONS.] (a) Except as provided in paragraph (b), an employer or person withholding tax under section 290.92 or 290.923, subdivision 2, who fails to pay to or deposit with the commissioner a sum or sums required by those sections to be deducted, withheld, and paid, is personally and individually liable to the state for the sum or sums, and added penalties and interest, and is not liable to another person for that payment or payments. The sum or sums deducted and withheld under section 290.92, subdivision 2a or 3, or 290.923, subdivision 2, must be held as a special fund in trust for the state of Minnesota.

(b) If the employer or person withholding tax under section 290.92 or 290.923, subdivision 2, fails to deduct and withhold the tax in violation of those sections, and later the taxes against which the tax may be credited are paid, the tax required to be deducted and withheld will not be collected from the employer. This does not, however, relieve the employer from liability for any penalties and interest otherwise applicable for failure to deduct and withhold.

(c) Liability for payment of withholding taxes includes a responsible person or entity described in the personal liability provisions of section 270.101.

(d) Liability for payment of withholding taxes includes a third party lender or surety described in section 290.92, subdivision 22.

(e) A partnership or S corporation required to withhold and remit tax

under section 290.92, subdivisions 4b and 4c, is liable for payment of the tax to the commissioner, and a person having control of or responsibility for the withholding of the tax or the filing of returns due in connection with the tax is personally liable for the tax due.

(f) A payor of sums required to be withheld under section 290.9705, subdivision 1, is liable to the state for the amount required to be deducted, and is not liable to an out-of-state contractor for the amount of the payment.

Subd. 6. [ESTATE TAX.] The personal representative and person to whom property that is subject to taxation under this chapter is transferred, other than a bona fide purchaser, mortgagee, or lessee, is personally liable for that tax, until its payment, to the extent of the value of the property at the time of the transfer. The exemption from personal liability extends to subsequent transferees from bona fide purchasers, mortgagees, and lessees.

Subd. 7. [SALES AND USE TAX.] (a) The sales and use tax required to be collected by the retailer under chapter 297A constitutes a debt owed by the retailer to Minnesota, and the sums collected must be held as a special fund in trust for the state of Minnesota.

A retailer who does not maintain a place of business within this state as defined by section 297A.21, subdivision 1, shall not be indebted to Minnesota for amounts of tax that it was required to collect but did not collect unless the retailer knew or had been advised by the commissioner of its obligation to collect the tax.

(b) The use tax required to be paid by a purchaser is a debt owed by the purchaser to Minnesota.

(c) The tax imposed by sections 297A.01 to 297A.44, and interest and penalties, is a personal debt of the individual required to file a return from the time the liability arises, irrespective of when the time for payment of that liability occurs. The debt is, in the case of the executor or administrator of the estate of a decedent and in the case of a fiduciary, that of the individual in an official or fiduciary capacity unless the individual has voluntarily distributed the assets held in that capacity without reserving sufficient assets to pay the tax, interest, and penalties, in which case the individual is personally liable for the deficiency.

(d) Liability for payment of sales and use taxes includes any responsible person or entity described in the personal liability provisions of section 270.101.

Sec. 15. [289A.03] [ASSESSMENTS.]

The commissioner shall make determinations, corrections, and assessments with respect to state taxes, including interest, additions to taxes, and assessable penalties. The commissioner may audit and adjust the taxpayer's computation of federal taxable income to make it conform with the provisions of section 290.01, subdivisions 19 to 19g, or the items of federal tax preferences or federal credit amounts to make them conform with the provisions of chapter 290. If a taxpayer fails to file a required return, the commissioner, from information in the commissioner's possession or obtainable by the commissioner, may make a return for the taxpayer. The return will be prima facie correct and valid. If a return has been filed, the commissioner shall examine the return and make any audit or investigation that is considered necessary. The commissioner may use statistical or other

sampling techniques consistent with generally accepted accounting principles in examining returns or records and making assessments.

Sec. 16. [289A.04] [EXAMINATIONS; AUDITS AND COLLECTIONS.]

Subdivision 1. [EXAMINATION OF TAXPAYER.] To determine the accuracy of a return or report, or in fixing liability under state tax law, or for the purpose of collection, the commissioner may make reasonable examinations or investigations of a taxpayer's place of business, tangible personal property, equipment, computer systems and facilities, pertinent books, records, papers, vouchers, computer printouts, accounts, and documents.

Subd. 2. [ACCESS TO RECORDS OF OTHER PERSONS IN CONNECTION WITH EXAMINATION OF TAXPAYER.] When conducting an investigation or an audit of a taxpayer, or for the purpose of collection, the commissioner may examine, except where privileged by law, the relevant records and files of any person, business, institution, financial institution, state agency, agency of the United States government, or agency of any other state where permitted by statute, agreement, or reciprocity. The commissioner may compel production of these records by subpoena. A subpoena may be served directly by the commissioner.

Subd. 3. [POWER TO COMPEL TESTIMONY.] In the administration of state tax law, the commissioner may:

(1) administer oaths or affirmations and compel by subpoena the attendance of witnesses, testimony, and the production of a person's pertinent books, records, papers, or other data;

(2) examine under oath or affirmation any person regarding the business of any taxpayer concerning any relevant matter incident to the administration of state tax law. The fees of witnesses required by the commissioner to attend a hearing are equal to those allowed to witnesses appearing before courts of this state. The fees must be paid in the manner provided for the payment of other expenses incident to the administration of state tax law; and

(3) in addition to other remedies that may be available, bring an action in equity by the state against a taxpayer for an injunction ordering the taxpayer to file a complete and proper return or amended return. The district courts of this state have jurisdiction over the action and disobedience of an injunction issued under this clause will be punished as a contempt of district court.

Subd. 4. [THIRD PARTY SUBPOENA WHERE TAXPAYER'S IDENTITY IS KNOWN.] An investigation may extend to a person that the commissioner determines has access to information that may be relevant to the examination or investigation. When a subpoena requiring the production of records as described in subdivision 2 is served on a third-party recordkeeper, written notice of the subpoena must be mailed to the taxpayer and to any other person who is identified in the subpoena. The notices must be given within three days of the day on which the subpoena is served. Notice to the taxpayer required by this section is sufficient if it is mailed to the last address on record with the commissioner.

The provisions of this subdivision relating to notice to the taxpayer or other parties identified in the subpoena do not apply if there is reasonable cause to believe that the giving of notice may lead to attempts to conceal,

destroy, or alter records relevant to the examination, to prevent the communication of information from other persons through intimidation, bribery, or collusion, or to flee to avoid prosecution, testifying, or production of records.

Subd. 5. [THIRD PARTY SUBPOENA WHERE TAXPAYER'S IDENTITY IS NOT KNOWN.] *A subpoena that does not identify the person or persons whose tax liability is being investigated may be served only if:*

(1) the subpoena relates to the investigation of a particular person or ascertainable group or class of persons;

(2) there is a reasonable basis for believing that the person or group or class of persons may fail or may have failed to comply with tax laws administered by the commissioner;

(3) 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 subpoena is issued, is not readily available from other sources;

(4) the subpoena is clear and specific concerning the information sought to be obtained; and

(5) the information sought to be obtained is limited solely to the scope of the investigation.

The party served with a subpoena that does not identify the person or persons with respect to whose tax liability the subpoena is issued may, within 20 days after service of the subpoena, petition the district court in the judicial district in which that party is located for a determination concerning whether the commissioner has complied with the requirements in clauses (1) to (5), and thus, whether the subpoena is enforceable. If no petition is made by the party served within the time prescribed, the subpoena has the effect of a court order.

Subd. 6. [REQUEST BY TAXPAYER FOR SUBPOENA.] *When the commissioner has the power to issue a subpoena for investigative or auditing purposes, the commissioner shall honor a reasonable request by the taxpayer to issue a subpoena on the taxpayer's behalf, if in connection with the investigation or audit.*

Subd. 7. [APPLICATION TO COURT FOR ENFORCEMENT OF SUBPOENA.] *The commissioner or the taxpayer may apply to the district court of the county of the taxpayer's residence, place of business, or county where the subpoena can be served as with any other case at law, for an order compelling the appearance of the subpoenaed witness or the production of the subpoenaed records. If the subpoenaed party fails to comply with the order of the court, the party may be punished by the court as for contempt.*

Subd. 8. [COST OF PRODUCTION OF RECORDS.] *The cost of producing records of a third party required by a subpoena must be paid by the taxpayer, if the taxpayer requests the subpoena to be issued, or if the taxpayer has the records available but has refused to provide them to the commissioner. In other cases where the taxpayer cannot produce records and the commissioner then initiates a subpoena for third-party records, the commissioner shall pay the reasonable cost of producing the records. The commissioner may later assess the reasonable costs against the taxpayer if the records contribute to the determination of an assessment of tax against the taxpayer.*

Sec. 17. [289A.05] [ORDER OF ASSESSMENT.]

Subdivision 1. [ORDER OF ASSESSMENT; NOTICE AND DEMAND TO TAXPAYER.] (a) When a return has been filed and the commissioner determines that the tax disclosed by the return is different than the tax determined by the examination, the commissioner shall send an order of assessment to the taxpayer. The order must explain the basis for the assessment and must explain the taxpayer's appeal rights. An order of assessment is final when made but may be reconsidered by the commissioner under section 289A.16.

(b) An amount of unpaid tax shown on the order must be paid to the commissioner: (1) within 60 days after notice of the amount and demand for its payment have been mailed to the taxpayer by the commissioner; or (2) if an administrative appeal is filed under section 289A.16, within 60 days following the determination of the appeal.

Subd. 2. [ERRONEOUS REFUNDS.] An erroneous refund is considered an underpayment of tax on the date made. An assessment of a deficiency arising out of an erroneous refund may be made at any time within two years from the making of the refund. If part of the refund was induced by fraud or misrepresentation of a material fact, the assessment may be made at any time.

Subd. 3. [ASSESSMENT PRESUMED VALID.] A return or assessment of tax made by the commissioner is prima facie correct and valid. The taxpayer has the burden of establishing its incorrectness or invalidity in any related action or proceeding.

Subd. 4. [AGGREGATE REFUND OR ASSESSMENT.] The commissioner, on examining returns of a taxpayer for more than one year or period, may issue one order covering the period under examination that reflects the aggregate refund or additional tax due.

Subd. 5. [SUFFICIENCY OF NOTICE.] An order of assessment, sent postage prepaid by United States mail to the taxpayer at the taxpayer's last known address, is sufficient even if the taxpayer is deceased or is under a legal disability, or, in the case of a corporation, has terminated its existence, unless the department has been provided with a new address by a party authorized to receive notices of assessment.

Subd. 6. [ORDER OF ASSESSMENT IF JOINT INCOME TAX RETURN.] If a joint income tax return is filed by a husband and wife, an order of assessment may be a single joint notice. If the commissioner has been notified by either spouse that that spouse's address has changed and if that spouse requests it, then, instead of the single joint notice mailed to the last known address of the husband and wife, a duplicate or original of the joint notice must be sent to the requesting spouse at the address designated by the requesting spouse. The other joint notice must be mailed to the other spouse at that spouse's last known address. An assessment is not invalid for failure to send it to a spouse if the spouse actually receives the notice in the same period as if it had been mailed to that spouse at the correct address or if the spouse has failed to provide an address to the commissioner other than the last known address.

Sec. 18. [289A.06] [LIMITATIONS ON TIME FOR ASSESSMENT OF TAX.]

Subdivision 1. [GENERAL RULE.] Except as otherwise provided in this

section, the amount of taxes assessable must be assessed within 3-1/2 years after the date the return is filed.

Subd. 2. [FILING DATE.] For purposes of this section, a tax return filed before the last day prescribed by law for filing is considered to be filed on the last day.

Subd. 3. [ESTATE TAXES.] Estate taxes must be assessed within 180 days after the return and the documents required under section 289A.0214, subdivision 2, have been filed.

Subd. 4. [PROPERTY TAX REFUND.] For purposes of computing the limitation under this section, the due date of the property tax refund return as provided for in chapter 290A is the due date for an income tax return covering the year in which the rent was paid or the year preceding the year in which the property taxes are payable.

Subd. 5. [FALSE OR FRAUDULENT RETURN; NO RETURN.] Notwithstanding the limitations under subdivisions 1 and 3, the tax may be assessed at any time if a false or fraudulent return is filed or when a taxpayer fails to file a return.

Subd. 6. [OMISSION IN EXCESS OF 25 PERCENT.] Additional taxes may be assessed within 6-1/2 years after the due date of the return or the date the return was filed, whichever is later, if:

(1) the taxpayer omits from gross income an amount properly includable in it that is in excess of 25 percent of the amount of gross income stated in the return;

(2) the taxpayer omits from a sales or withholding tax return an amount in excess of 25 percent of the taxes reported in the return; or

(3) the taxpayer omits from the gross estate assets in excess of 25 percent of the gross estate reported in the return.

Subd. 7. [FEDERAL TAX CHANGES.] If the amount of income, items of tax preference, deductions, or credits for any year of a taxpayer as reported to the Internal Revenue Service is changed or corrected by the commissioner of Internal Revenue or other officer of the United States or other competent authority, or where a renegotiation of a contract or sub-contract with the United States results in a change in income, items of tax preference, deductions, or credits, or, in the case of estate tax, where there are adjustments to the taxable estate resulting in a change to the credit for state death taxes, the taxpayer shall report the change or correction or renegotiation results in writing to the commissioner, in the form required by the commissioner. The report must be submitted within 90 days after the final determination and must concede the accuracy of the determination or state how it is wrong. A taxpayer filing an amended federal tax return must also file a copy of the amended return with the commissioner of revenue within 90 days after filing the amended return.

Subd. 8. [FAILURE TO REPORT CHANGE OR CORRECTION OF FEDERAL RETURN.] If a taxpayer fails to make a report as required by subdivision 7, the commissioner may recompute the tax, including a refund, based on information available to the commissioner. The tax may be recomputed within six years after the report should have been filed, notwithstanding any period of limitations to the contrary.

Subd. 9. [REPORT MADE OF CHANGE OR CORRECTION OF FEDERAL RETURN.] *If a taxpayer is required to make a report under subdivision 7, and does report the change or files a copy of the amended return, the commissioner may recompute and reassess the tax due, including a refund (1) within one year after the report or amended return is filed with the commissioner, notwithstanding any period of limitations to the contrary, or (2) within any other applicable period stated in this section, whichever period is longer. The period provided for the carryback of any amount of loss or credit is also extended as provided in this subdivision, notwithstanding any law to the contrary.*

Subd. 10. [INCORRECT DETERMINATION OF FEDERAL ADJUSTED GROSS INCOME.] *Notwithstanding any other provision of this chapter, if a taxpayer whose gross income is determined under section 290.01, subdivisions 20 and 20e, omits from income an amount that will under the Internal Revenue Code of 1986, as amended through December 31, 1989, extend the statute of limitations for the assessment of federal income taxes, or otherwise incorrectly determines the taxpayer's federal adjusted gross income resulting in adjustments by the Internal Revenue Service, then the period of assessment and determination of tax will be that under the Internal Revenue Code of 1986, as amended through December 31, 1989. When a change is made to federal income during the extended time provided under this subdivision, the provisions under subdivisions 7 to 9 regarding additional extensions apply.*

Subd. 11. [NET OPERATING LOSS CARRYBACK.] *If a deficiency of tax is attributable to a net operating loss carryback that has been disallowed in whole or in part, the deficiency may be assessed at any time that a deficiency for the taxable year of the loss may be assessed.*

Subd. 12. [REQUEST FOR EARLY AUDIT FOR INDIVIDUAL INCOME, FIDUCIARY INCOME, AND CORPORATE FRANCHISE TAXES.] *(a) Tax must be assessed within 18 months after written request for an assessment has been made in the case of income received (1) during the lifetime of a decedent, (2) by the decedent's estate during the period of administration, (3) by a trustee of a terminating trust or other fiduciary who, because of custody of assets, would be liable for the payment of tax under section 289A.029, subdivision 4, or (4) by a corporation. A proceeding in court for the collection of the tax must begin within two years after written request for the assessment (filed after the return is made and in the form the commissioner prescribes) by the personal representative or other fiduciary representing the estate of the decedent, or by the trustee of a terminating trust or other fiduciary who, because of custody of assets, would be liable for the payment of tax under section 289A.029, subdivision 4, or by the corporation. Except as provided in section 289A.10, subdivision 1, an assessment must not be made after the expiration of 3-1/2 years after the return was filed, and an action must not be brought after the expiration of four years after the return was filed.*

(b) Paragraph (a) only applies in the case of a corporation if:

(1) the written request notifies the commissioner that the corporation contemplates dissolution at or before the expiration of the 18-month period;

(2) the dissolution is begun in good faith before the expiration of the 18-month period; and

(3) the dissolution is completed within the 18-month period.

Subd. 13. [TIME LIMIT FOR ASSESSMENT AND COLLECTION FOR TRANSFEREE OR FIDUCIARY.] *The period of limitation for assessment and collection of any liability of a transferee or fiduciary is as follows:*

(1) *In the case of the liability of an initial transferee of the property of the taxpayer, the tax may be assessed within one year after the expiration of the period of limitation of assessment against the taxpayer. The tax may be collected by action brought within one year after the expiration of the period of limitation for the starting of an action against the taxpayer.*

(2) *In the case of the liability of the transferee of a transferee of the property of the taxpayer, the tax may be assessed within one year after the expiration of the period of limitation for assessment against the preceding transferee, but only if within 3-112 years after the expiration of the period of limitation for assessment against the taxpayer. The tax may be collected by action brought within one year after the expiration of the period of limitation for the starting of an action against the preceding transferee, but only if within four years after the expiration of the period of limitation for bringing an action against the taxpayer; except that if before the expiration of the period of limitation for the assessment of the liability of the transferee a court proceeding for the collection of the tax or liability has been begun against the taxpayer or last preceding transferee, liability of the transferee expires one year after the return of execution in the court proceeding and the period of limitation for collection by action will expire one year after the liability is assessed.*

(3) *In the case of the liability of a fiduciary, the tax may be assessed up to one year after the liability arises or not later than the expiration of the period for collection of the tax for which the liability arises, whichever is later, and may be collected by action brought within one year after assessment.*

(4) *For the purposes of this subdivision, if the taxpayer is deceased, or in the case of a corporation, has ended its existence, the period of limitation for assessment against the taxpayer will be the period that would be in effect had death or termination of existence not occurred.*

As used in this subdivision, the term "transferee" includes heir, legatee, devisee, and distributee.

Subd. 14. [FAILURE TO TIMELY FILE WITHHOLDING RECONCILIATION.] *If an employer fails to timely file the reconciliation required by section 289A.0212, subdivision 2, paragraph (d), withholding taxes may be assessed within the period prescribed in subdivision 1, or within one year from the date the reconciliation is filed with the commissioner, whichever is later.*

Sec. 19. [289A.07] [LIMITATIONS; ARMED SERVICES.]

Subdivision 1. [EXTENSIONS FOR SERVICE MEMBERS.] *The limitations of time provided by this chapter and chapter 290 relating to income taxes and chapter 271 relating to the tax court for filing returns, paying taxes, claiming refunds, commencing action thereon, appealing to the tax court from orders relating to income taxes, and appealing to the Supreme Court from decisions of the tax court relating to income taxes are extended, with respect to an individual, for the period during which the individual serves in the armed forces of the United States, or serves in support of the armed forces and as provided in section 7508 of the Internal Revenue Code of 1986, as amended through December 31, 1989, or serves in an*

area designated by the president as a combat zone or is hospitalized outside the United States as a result of injury received while serving in the combat during that time and for a further period of six months.

Subd. 2. [INTEREST AND PENALTIES.] Interest on income tax must not be assessed or collected from an individual, and interest must not be paid upon an income tax refund to any individual, with respect to whom, and for the period during which, the limitations or time are extended as provided in subdivision 1. A penalty will not be assessed or collected from an individual for failure during that period to perform an act required by the laws described in subdivision 1.

Subd. 3. [ASSESSMENTS; ACTIONS.] The time limitations provided for the assessment of a tax, penalty, or interest, are extended, with respect to those individuals and for the period provided in subdivision 1 and for a further period of six months; and the time limitations for the commencement of action to collect a tax, penalty, or interest from those individuals are extended for a period ending six months after the expiration of the time for assessment as provided in this section.

Subd. 4. [APPLICABILITY.] Nothing in this section reduces the time within which an act is required or permitted under this chapter.

Subd. 5. [EXTENSION LIMITATIONS.] This section does not extend the time for performing any of the acts set forth in this chapter beyond the expiration of three months after the appointment of a personal representative or guardian, in this state, for any individual described in this section, except as provided in subdivision 6.

Subd. 6. [DEATH WHILE SERVING IN ARMED FORCES.] If an individual dies while in active service as a member of the military or naval forces of the United States or of any of the United Nations, an income tax imposed under chapter 290 will not be imposed for the taxable year in which the individual dies. Income tax imposed for a prior taxable year that is unpaid at the date of death (including additions to the tax, penalties) must not be assessed, and if assessed, the assessment must be abated. In addition, upon the filing of a claim for refund within seven years from the date the return was filed, the tax paid or collected with respect to any taxable year beginning after December 31, 1949, during which the decedent was in active service must be refunded.

Subd. 7. [DEATH OF CIVILIAN WHILE OUTSIDE UNITED STATES.] If an individual dies while a civilian employee of the United States as a result of wounds or injuries incurred while the individual was a civilian employee of the United States, and which were incurred outside the United States in a terroristic or military action, a tax imposed by chapter 290 does not apply with respect to the taxable year in which the death falls and with respect to any prior taxable years in the period beginning with the last taxable year ending before the taxable year in which the wounds or injury were incurred. Terroristic or military action has the meaning given it in section 692(c)(2) of the Internal Revenue Code of 1986, as amended through December 31, 1989.

Sec. 20. [289A.08] [LIMITATIONS ON CLAIMS FOR REFUND.]

Subdivision 1. [TIME LIMIT; GENERALLY.] Unless otherwise provided in this chapter, a claim for a refund of an overpayment of state tax must be filed within 3-1/2 years from the date prescribed for filing the return, plus any extension of time granted for filing the return, but only

if filed within the extended time, or two years from the time the tax is paid in full, whichever period expires later.

Subd. 2. [BAD DEBT LOSS.] If a claim relates to an overpayment because of a failure to deduct a loss due to a bad debt or to a security becoming worthless, the claim is considered timely if filed within seven years from the date prescribed for the filing of the return. The refund or credit is limited to the amount of overpayment attributable to the loss.

Subd. 3. [NET OPERATING LOSS; INDIVIDUALS.] A refund or credit must be allowed for a net operating loss carryback to any taxable year authorized by section 290.095, or section 172 of the Internal Revenue Code of 1986, as amended through December 31, 1989, but the refund or credit is limited to the amount of overpayment arising from the carryback.

Sec. 21. [289A.09] [BANKRUPTCY; SUSPENSION OF TIME.]

The running of the period during which a tax must be assessed or collection proceedings commenced is suspended during the period from the date of a filing of a petition in bankruptcy until 30 days after either notice to the commissioner of revenue that the bankruptcy proceedings have been closed or dismissed, or the automatic stay has been terminated or has expired, whichever occurs first.

The suspension of the statute of limitations under this section applies to the person the petition in bankruptcy is filed against and other persons who may also be wholly or partially liable for the tax.

Sec. 22. [289A.10] [CONSENT TO EXTEND STATUTE.]

Subdivision 1. [EXTENSION AGREEMENT.] If before the expiration of time prescribed in sections 289A.06 and 289A.08 for the assessment of tax or the filing of a claim for refund, both the commissioner and the taxpayer have consented in writing to the assessment or filing of a claim for refund after that time, the tax may be assessed or the claim for refund filed at any time before the expiration of the agreed upon period. The period may be extended by later agreements in writing before the expiration of the period previously agreed upon.

Subd. 2. [FEDERAL EXTENSIONS.] A taxpayer who consents to an extension of time for the assessment of federal income taxes must notify the commissioner within 90 days of the execution of the consent. The period in which the commissioner may recompute the tax is also extended, notwithstanding any period of limitations to the contrary, as follows:

- (1) for the periods provided in section 289A.06, subdivisions 8 and 9;*
- (2) for six months following the expiration of the extended federal period of limitations when no change is made by the federal authority.*

Sec. 23. [289A.11] [CLAIMS FOR REFUNDS.]

Subdivision 1. [GENERAL RIGHT TO REFUND.] (a) Subject to the requirements of this section and section 289A.08, a taxpayer who has paid a tax in excess of the taxes lawfully due and who files a written claim for refund will be refunded or credited the overpayment of the tax determined by the commissioner to be erroneously paid.

(b) The claim must specify the name of the taxpayer, the date when and the period for which the tax was paid, the kind of tax paid, the amount of the tax that the taxpayer claims was erroneously paid, the grounds on

which a refund is claimed, and other information relative to the payment and in the form required by the commissioner. An income tax, estate tax, or corporate franchise tax return, or amended return claiming an overpayment constitutes a claim for refund.

(c) When, in the course of an examination, and within the time for requesting a refund, the commissioner determines that there has been an overpayment of tax, the commissioner shall refund or credit the overpayment to the taxpayer and no demand is necessary. If the overpayment exceeds \$1, the amount of the overpayment must be refunded to the taxpayer. If the amount of the overpayment is less than \$1, the commissioner is not required to refund. In these situations, the commissioner does not have to make written findings or serve notice by mail to the taxpayer.

(d) If the amount allowable as a credit for withholding or estimated taxes exceeds the tax against which the credit is allowable, the amount of the excess is considered an overpayment.

(e) If the entertainment tax withheld at the source exceeds by \$1 or more the taxes, penalties, and interest reported in the return of the entertainment entity or imposed by section 290.9201, the excess must be refunded to the entertainment entity. If the excess is less than \$1, the commissioner need not refund that amount.

(f) If the surety deposit required for a construction contract exceeds the liability of the out-of-state contractor, the commissioner shall refund the difference to the contractor.

(g) An action of the commissioner in refunding the amount of the overpayment does not constitute a determination of the correctness of the return of the taxpayer.

(h) There is appropriated from the general fund to the commissioner of revenue the amount necessary to pay refunds allowed under this section.

Subd. 2. [REFUND OF SALES TAX TO VENDORS; LIMITATION.] If a vendor has collected from a purchaser and remitted to the state a tax on a transaction that is not subject to the tax imposed by chapter 297A, the tax is refundable to the vendor only if and to the extent that it is credited to amounts due to the vendor by the purchaser or returned to the purchaser by the vendor.

Subd. 3. [WITHHOLDING TAX AND ENTERTAINER WITHHOLDING TAX REFUNDS.] When there is an overpayment of withholding tax by an employer or a person making royalty payments, or an overpayment of entertainer withholding tax by the payor, a refund allowable under this section is limited to the amount of the overpayment that was not deducted and withheld from employee wages or from the royalty payments, or from the compensation of an entertainer.

Subd. 4. [NOTICE OF REFUND.] The commissioner shall determine the amount of refund, if any, that is due, and notify the taxpayer of the determination as soon as practicable after a claim has been filed.

Subd. 5. [WITHHOLDING OF REFUNDS FROM CHILD SUPPORT DEBTORS.] (a) If a court of this state finds that a person obligated to pay child support is delinquent in making payments, the amount of child support unpaid and owing, including attorney fees and costs incurred in ascertaining or collecting child support, must be withheld from a refund due the person under chapter 290. The public agency responsible for child

support enforcement or the parent or guardian of a child for whom the support, attorney fees, and costs are owed may petition the district or county court for an order providing for the withholding of the amount of child support, attorney fees, and costs unpaid and owing as determined by court order. The person from whom the refund may be withheld must be notified of the petition under the rules of civil procedure before the issuance of an order under this subdivision. The order may be granted on a showing to the court that required support payments, attorney fees, and costs have not been paid when they were due.

(b) On order of the court and on payment of \$3 to the commissioner, the commissioner shall withhold the money from the refund due to the person obligated to pay the child support. The amount withheld shall be remitted to the public agency responsible for child support enforcement or to the parent or guardian petitioning on behalf of the child, after any delinquent tax obligations of the taxpayer owed to the revenue department have been satisfied. An amount received by the responsible public agency or the petitioning parent or guardian in excess of the amount of public assistance spent for the benefit of the child to be supported, or the amount of any support, attorney fees, and costs that had been the subject of the claim under this subdivision that has been paid by the taxpayer before the diversion of the refund, must be paid to the person entitled to the money. If the refund is based on a joint return, the part of the refund that must be paid to the petitioner is the proportion of the total refund that equals the proportion of the total federal adjusted gross income of the spouses that is the federal adjusted gross income of the spouse who is delinquent in making the child support payments.

(c) A petition filed under this subdivision remains in effect with respect to any refunds due under this section until the support money, attorney fees, and costs have been paid in full or the court orders the commissioner to discontinue withholding the money from the refund due the person obligated to pay the support, attorney fees, and costs. If a petition is filed under this subdivision and a claim is made under chapter 270A with respect to the individual's refund and notices of both are received before the time when payment of the refund is made on either claim, the claim relating to the liability that accrued first in time must be paid first. The amount of the refund remaining must then be applied to the other claim.

Subd. 6. [OFFSETTING OF INCOME TAX REFUNDS.] Notwithstanding any other law to the contrary, in the case of an overpayment, the commissioner, within the applicable period of limitations, may credit the amount of the overpayment against a liability with respect to Minnesota income tax on the part of the person who made the overpayment or against a liability with respect to Minnesota income tax on the part of either spouse who filed a joint return for the taxable year in which the overpayment was made and must refund a balance of more than \$1 to the person if the taxpayer so requests.

Subd. 7. [REMEDIES.] (a) If the taxpayer is notified by the commissioner that the refund claim is denied in whole or in part, the taxpayer may:

(1) file an administrative appeal as provided in section 289A.16, or an appeal with the tax court, within 60 days after issuance of the commissioner's notice of denial; or

(2) file an action in the district court to recover the refund.

(b) An action in the district court on a denied claim for refund must be brought within 18 months of the date of the denial of the claim by the commissioner.

(c) No action in the district court or the tax court shall be brought within six months of the filing of the refund claim unless the commissioner denies the claim within that period.

(d) If a taxpayer files a claim for refund and the commissioner has not issued a denial of the claim, the taxpayer may bring an action in the district court or the tax court at any time after the expiration of six months of the time the claim was filed, but within four years of the date that the claim was filed.

(e) The commissioner and the taxpayer may agree to extend the period for bringing an action in the district court.

(f) An action for refund of tax by the taxpayer must be brought in the district court of the district in which lies the county of the taxpayer's residence or principal place of business. In the case of an estate or trust, the action must be brought at the principal place of its administration. Any action may be brought in the district court for Ramsey county.

Subd. 8. [MISTAKE DISCOVERED BY COMMISSIONER.] If money has been erroneously collected from a taxpayer or other person, the commissioner may, within the period named in section 289A.08 for filing a claim for refund, grant a refund to that taxpayer or other person.

Sec. 24. [289A.12] [INTEREST PAYABLE TO COMMISSIONER.]

Subdivision 1. [INTEREST RATE.] When interest is required under this section, interest is computed at the rate specified in section 270.75.

Subd. 2. [LATE PAYMENT.] If a tax is not paid within the time named by law for payment, the unpaid tax bears interest from the date the tax should have been paid until the date the tax is paid.

Subd. 3. [EXTENSIONS.] When an extension of time for payment has been granted, interest must be paid from the date the payment should have been made, if no extension had been granted, until the date the tax is paid.

Subd. 4. [ADDITIONAL ASSESSMENTS.] When a taxpayer is liable for additional taxes because of a redetermination by the commissioner, or for any other reason, the additional taxes bear interest from the time the tax should have been paid, without regard to an extension allowed, until the date the tax is paid.

Subd. 5. [EXCESSIVE CLAIMS FOR REFUNDS UNDER CHAPTER 290A.] When it is determined that a claim for a property tax refund was excessive, the amount that the taxpayer must repay bears interest from the date the claim was paid until the date of repayment.

Subd. 6. [ERRONEOUS REFUNDS.] In the case of an erroneous refund, interest begins to accrue from the date the refund was paid unless the erroneous refund results from a mistake of the department, in which case no interest or penalty will be imposed, unless the deficiency assessment is not satisfied within 60 days of the order.

Subd. 7. [INSTALLMENT PAYMENTS; ESTATE TAX.] Interest must be paid on unpaid installment payments of the tax authorized under section 289A.028, subdivision 2, beginning on the date the tax was due without

regard to extensions allowed or extensions elected, at the rate of interest in effect under section 270.75, nine months following the date of death.

Subd. 8. [INTEREST ON JUDGMENTS.] Notwithstanding section 549.09, if judgment is entered in favor of the commissioner with regard to any tax, the judgment bears interest at the rate given in section 270.75 from the date the judgment is entered until the date of payment.

Subd. 9. [INTEREST ON PENALTIES.] (a) A penalty imposed under section 289A.14, subdivision 1, 2, 3, 4, 5, or 6, bears interest from the date the return or payment was required to be filed or paid, including any extensions, to the date of payment of the penalty.

(b) A penalty not included in paragraph (a) bears interest only if it is not paid within ten days from the date of notice. In that case interest is imposed from the date of notice to the date of payment.

Sec. 25. [289A.13] [INTEREST ON OVERPAYMENTS.]

Subdivision 1. [INTEREST RATE.] When interest is due on an overpayment under this section, it must be computed at the rate specified in section 270.76.

Subd. 2. [CORPORATE FRANCHISE, INDIVIDUAL AND FIDUCIARY INCOME, AND ENTERTAINER TAX OVERPAYMENTS.] Interest must be paid on an overpayment refunded or credited to the taxpayer from the date of payment of the tax until the date the refund is paid or credited. For purposes of this subdivision, the prepayment of tax made by withholding of tax at the source or payment of estimated tax before the due date is considered paid on the last day prescribed by law for the payment of the tax by the taxpayer. A return filed before the due date is considered as filed on the due date.

When the amount of tax withheld at the source or paid as estimated tax or allowable as other refundable credits, or withheld from compensation of entertainers, exceeds the tax shown on the original return by \$10, the amount refunded bears interest from 90 days after (1) the due date of the return of the taxpayer, or (2) the date on which the original return is filed, whichever is later, until the date the refund is paid to the taxpayer. Where the amount to be refunded is less than \$10, no interest is paid. However, to the extent that the basis for the refund is a net operating loss carryback, interest is computed only from the end of the taxable year in which the loss occurs.

Subd. 3. [WITHHOLDING TAX, ENTERTAINER WITHHOLDING TAX, WITHHOLDING FROM PAYMENTS TO OUT-OF-STATE CONTRACTORS, ESTATE TAX, AND SALES TAX OVERPAYMENTS.] When a refund is due for overpayments of withholding tax, entertainer withholding tax, withholding from payments to out-of-state contractors, estate tax, or sales tax, interest is computed from the date of payment to the date the refund is paid or credited. For purposes of this subdivision, the date of payment is the later of the date the tax was finally due or was paid.

Subd. 4. [CAPITAL EQUIPMENT REFUNDS.] Notwithstanding subdivision 3, for refunds payable under section 297A.15, subdivision 5, interest is computed from the date the refund claim is filed with the commissioner.

Subd. 5. [SALES OR MOTOR VEHICLE EXCISE TAX; RETAILERS.] In the case of a refund allowed under section 297A.211, subdivision 3,

interest is allowed only from the date on which the person has both registered as a retailer and filed a claim for refund.

Subd. 6. [PROPERTY TAX REFUNDS UNDER CHAPTER 290A.] (a) When a renter is owed a property tax refund, an unpaid refund bears interest after August 14, or 60 days after the refund claim was made, whichever is later, until the date the refund is paid.

(b) When any other claimant is owed a property tax refund, the unpaid refund bears interest after September 29, or 60 days after the refund claim was made, whichever is later, until the date the refund is paid.

Sec. 26. [289A.14] [CIVIL PENALTIES.]

Subdivision 1. [PENALTY FOR FAILURE TO PAY TAX.] If a tax is not paid or amounts required to be withheld are not remitted within the time specified for payment, a penalty must be added to the amount required to be shown as tax. The penalty is three percent of the tax not paid on or before the date specified for payment of the tax if the failure is for not more than 30 days, with an additional penalty of three percent of the amount of tax remaining unpaid during each additional 30 days or fraction of 30 days during which the failure continues, not exceeding 24 percent in the aggregate.

Subd. 2. [PENALTY FOR FAILURE TO MAKE AND FILE RETURN.] If a taxpayer fails to make and file a return within the time prescribed or an extension, a penalty is added to the tax. The penalty is three percent of the amount of tax not paid on or before the date prescribed for payment of the tax including any extensions if the failure is for not more than 30 days, with an additional five percent of the amount of tax remaining unpaid during each additional 30 days or fraction of 30 days, during which the failure continues, not exceeding 23 percent in the aggregate.

If a taxpayer fails to file a return, other than an income tax return of an individual, within 60 days of the date prescribed for filing of the return (determined with regard to any extension of time for filing), the addition to tax under this subdivision must not be less than the lesser of: (1) \$200; or (2) the greater of (a) 25 percent of the amount required to be shown as tax on the return without reduction for any payments made or refundable credits allowable against the tax, or (b) \$50.

Subd. 3. [COMBINED PENALTIES.] When penalties are imposed under subdivisions 1 and 2, except for the minimum penalty under subdivision 2, the penalties imposed under both subdivisions combined must not exceed 38 percent.

Subd. 4. [SUBSTANTIAL UNDERSTATEMENT OF LIABILITY; PENALTY.] The commissioner of revenue shall impose a penalty for substantial understatement of any tax payable to the commissioner, except a tax imposed under chapter 297A.

There must be added to the tax an amount equal to 20 percent of the amount of any underpayment attributable to the understatement. There is a substantial understatement of tax for the period if the amount of the understatement for the period exceeds the greater of: (1) ten percent of the tax required to be shown on the return for the period; or (2)(a) \$10,000 in the case of a corporation other than an S corporation as defined in section 290.9725 when the tax is imposed by chapter 290, or (b) \$5,000 in the case of any other taxpayer, and in the case of a corporation any tax

not imposed by chapter 290. The term "understatement" means the excess of the amount of the tax required to be shown on the return for the period, over the amount of the tax imposed that is shown on the return. The amount of the understatement shall be reduced by that part of the understatement that is attributable to the tax treatment of any item by the taxpayer if there is or was substantial authority for the treatment, or any item with respect to which the relevant facts affecting the item's tax treatment are adequately disclosed in the return or in a statement attached to the return. The special rules in cases involving tax shelters provided in section 6662(d)(2)(C) of the Internal Revenue Code of 1986, as amended through December 31, 1989, shall apply and shall apply to a tax shelter the principal purpose of which is the avoidance or evasion of state taxes. The commissioner may abate all or any part of the addition to the tax provided by this section on a showing by the taxpayer that there was reasonable cause for the understatement, or part of it, and that the taxpayer acted in good faith. The additional tax and penalty shall bear interest at the rate specified in section 270.75 from the time the tax should have been paid until paid.

Subd. 5. [PENALTY FOR INTENTIONAL DISREGARD OF LAW OR RULES.] *If part of an additional assessment is due to negligence or intentional disregard of the provisions of the applicable tax laws or rules of the commissioner, but without intent to defraud, there must be added to the tax an amount equal to ten percent of the additional assessment.*

Subd. 6. [PENALTY FOR FALSE OR FRAUDULENT RETURN, EVASION.] *If a person files a false or fraudulent return, or attempts in any manner to evade or defeat a tax or payment of tax, there is imposed on the person a penalty equal to 50 percent of the tax, less amounts paid by the person on the basis of the false or fraudulent return, due for the period to which the return related.*

Subd. 7. [PENALTY FOR FRIVOLOUS RETURN.] *If an individual files what purports to be a tax return required by chapter 290 but which does not contain information on which the substantial correctness of the assessment may be judged or contains information that on its face shows that the assessment is substantially incorrect and the conduct is due to a position that is frivolous or a desire that appears on the purported return to delay or impede the administration of Minnesota tax laws, then the individual shall pay a penalty of \$500. In a proceeding involving the issue of whether or not a person is liable for this penalty, the burden of proof is on the commissioner.*

Subd. 8. [PENALTY FOR FAILURE TO FILE INFORMATIONAL RETURN.] *In the case of a failure to file an informational return required by section 289A.0218 with the commissioner on the date prescribed (determined with regard to any extension of time for filing), the person failing to file the return shall pay a penalty of \$50 for each failure or in the case of a partnership, S corporation, or fiduciary return, \$50 for each partner, shareholder, or beneficiary; but the total amount imposed on the delinquent person for all failures during any calendar year must not exceed \$25,000. If a failure to file a return is due to intentional disregard of the filing requirement, then the penalty imposed under the preceding sentence must not be less than an amount equal to:*

(1) in the case of a return not described in clause (2) or (3), ten percent of the aggregate amount of the items required to be reported;

(2) in the case of a return required to be filed under section 289A.0218,

subdivision 5, five percent of the gross proceeds required to be reported; and

(3) in the case of a return required to be filed under section 289A.0218, subdivision 9, relating to direct sales, \$100 for each failure; however, the total amount imposed on the delinquent person for intentional failures during a calendar year must not exceed \$50,000. The penalty must be collected in the same manner as a delinquent income tax.

Subd. 9. [PENALTIES FOR FAILURE TO GIVE ANNUAL REPORT INFORMATION BY EXEMPT INDIVIDUALS, CORPORATIONS.] *In the case of a failure to give annual report information as prescribed by section 290.05, subdivision 4, the exempt individual or corporation shall pay the commissioner a penalty of \$100 for each failure.*

Subd. 10. [PENALTY FOR FAILURE TO PROVIDE SOCIAL SECURITY NUMBER AS REQUIRED.] *A person who is required by law to: (1) give the person's social security account number to another person; or (2) include in a return, statement, or other document made with respect to another person that individual's social security account number, who fails to comply with the requirement when prescribed, must pay a penalty of \$50 for each failure. The total amount imposed on a person for failures during a calendar year must not exceed \$25,000.*

Subd. 11. [PENALTIES RELATING TO INFORMATION REPORTS, WITHHOLDING.] *(a) When a person required under section 289A.0212, subdivision 2, to give a statement to an employee or payee and a duplicate statement to the commissioner, or to give a reconciliation of the statements and quarterly returns to the commissioner, gives a false or fraudulent statement to an employee or payee or a false or fraudulent duplicate statement or reconciliation of statements and quarterly returns to the commissioner, or fails to give a statement or the reconciliation in the manner, when due, and showing the information required by section 289A.0212, subdivision 2, or rules prescribed by the commissioner under that section, that person is liable for a penalty of \$50 for an act or failure to act. The total amount imposed on the delinquent person for failures during a calendar year must not exceed \$25,000.*

(b) In addition to any other penalty provided by law, an employee who gives a withholding exemption certificate or a residency affidavit to an employer that the employee has reason to know contains a materially incorrect statement is liable to the commissioner of revenue for a penalty of \$500 for each instance.

(c) In addition to any other penalty provided by law, an employer who fails to submit a copy of a withholding exemption certificate or a residency affidavit required by section 290.92, subdivision 5a, clause (1)(a), (1)(b), or (2) is liable to the commissioner of revenue for a penalty of \$50 for each instance.

(d) An employer or payor who fails to file an application for a withholding account number, as required by section 290.92, subdivision 24, is liable to the commissioner for a penalty of \$100.

Subd. 12. [PENALTIES RELATING TO PROPERTY TAX REFUNDS.] *(a) If the commissioner determines that a property tax refund claim is or was excessive and was filed with fraudulent intent, the claim must be disallowed in full. If the claim has been paid, the amount disallowed may be recovered by assessment and collection.*

(b) If it is determined that a property tax refund claim is excessive and was negligently prepared, ten percent of the corrected claim must be disallowed. If the claim has been paid, the amount disallowed must be recovered by assessment and collection.

(c) An owner or managing agent who knowingly fails to give a certificate of rent constituting property tax to a renter, as required by section 290A.19, paragraph (a), is liable to the commissioner for a penalty of \$100 for each failure.

(d) If the owner or managing agent knowingly gives rent certificates that report total rent constituting property taxes in excess of the amount of actual property taxes paid on the rented part of a property, the owner or managing agent is liable for a penalty equal to the greater of (1) \$100 or (2) 50 percent of the excess that is reported.

(e) A claim filed after the original or extended due date will be reduced by five percent of the amount otherwise allowable, plus an additional five percent for each month of delinquency, not exceeding a total reduction of 25 percent, which may be canceled or reduced by the commissioner if the delinquency is due to reasonable cause. In any event, no claim is allowed if the initial claim is filed more than one year after the original due date for filing the claim.

Subd. 13. [PENALTIES FOR TAX RETURN PREPARERS.] (a) If an understatement of liability with respect to a return or claim for refund is due to a willful attempt in any manner to understate the liability for a tax by a person who is a tax return preparer with respect to the return or claim, the person shall pay to the commissioner a penalty of \$500. If a part of a property tax refund claim is excessive due to a willful attempt in any manner to overstate the claim for relief allowed under chapter 290A by a person who is a tax refund or return preparer, the person shall pay to the commissioner a penalty of \$500 with respect to the claim. These penalties may not be assessed against the employer of a tax return preparer unless the employer was actively involved in the willful attempt to understate the liability for a tax or to overstate the claim for refund. These penalties are income tax liabilities and may be assessed at any time as provided in section 289A.06, subdivision 5.

(b) A civil action in the name of the state of Minnesota may be commenced to enjoin any person who is a tax return preparer doing business in this state from further engaging in any conduct described in paragraph (c). An action under this paragraph must be brought by the attorney general in the district court for the judicial district of the tax return preparer's residence or principal place of business, or in which the taxpayer with respect to whose tax return the action is brought resides. The court may exercise its jurisdiction over the action separate and apart from any other action brought by the state of Minnesota against the tax return preparer or any taxpayer.

(c) In an action under paragraph (b), if the court finds that a tax return preparer has:

(1) engaged in any conduct subject to a civil penalty under section 289A.14 or a criminal penalty under section 289A.15;

(2) misrepresented the preparer's eligibility to practice before the department of revenue, or otherwise misrepresented the preparer's experience or education as a tax return preparer;

(3) guaranteed the payment of any tax refund or the allowance of any tax credit; or

(4) engaged in any other fraudulent or deceptive conduct that substantially interferes with the proper administration of state tax law, and injunctive relief is appropriate to prevent the recurrence of that conduct,

the court may enjoin the person from further engaging in that conduct.

(d) If the court finds that a tax return preparer has continually or repeatedly engaged in conduct described in paragraph (c), and that an injunction prohibiting that conduct would not be sufficient to prevent the person's interference with the proper administration of state tax laws, the court may enjoin the person from acting as a tax return preparer. The court may not enjoin the employer of a tax return preparer for conduct described in paragraph (c) engaged in by one or more of the employer's employees unless the employer was also actively involved in that conduct.

(e) For purposes of this subdivision, the term "understatement of liability" means an understatement of the net amount payable with respect to a tax imposed by state tax law, or an overstatement of the net amount creditable or refundable with respect to a tax. The determination of whether or not there is an understatement of liability must be made without regard to any administrative or judicial action involving the taxpayer. For purposes of this subdivision, the amount determined for underpayment of estimated tax under either section 289A.026 or 289A.027 is not considered an understatement of liability.

(f) For purposes of this subdivision, the term "overstatement of claim" means an overstatement of the net amount refundable with respect to a claim for property tax relief provided by chapter 290A. The determination of whether or not there is an overstatement of a claim must be made without regard to administrative or judicial action involving the claimant.

(g) For purposes of this section, the term "tax refund or return preparer" means an individual who prepares for compensation, or who employs one or more individuals to prepare for compensation, a return of tax, or a claim for refund of tax. The preparation of a substantial part of a return or claim for refund is treated as if it were the preparation of the entire return or claim for refund. An individual is not considered a tax return preparer merely because the individual:

(1) gives typing, reproducing, or other mechanical assistance;

(2) prepares a return or claim for refund of the employer, or an officer or employee of the employer, by whom the individual is regularly and continuously employed;

(3) prepares a return or claim for refund of any person as a fiduciary for that person; or

(4) prepares a claim for refund for a taxpayer in response to a tax order issued to the taxpayer.

Subd. 14. [PENALTY FOR USE OF SALES TAX EXEMPTION CERTIFICATES TO EVADE TAX.] A person who uses an exemption certificate to buy property that will be used for purposes other than the exemption claimed, with the intent to evade payment of sales tax to the seller, is subject to a penalty of \$100 for each transaction where that use of an

exemption certificate has occurred.

Subd. 15. [ACCELERATED PAYMENT OF JUNE SALES TAX LIABILITY; PENALTY FOR UNDERPAYMENT.] *If a vendor is required by law to submit an estimation of June sales tax liabilities and one-half payment by a certain date, and the vendor fails to remit the balance due by the date required, the vendor shall pay a penalty equal to ten percent of the amount of actual June liability required to be paid in June less the amount remitted in June. The penalty must not be imposed, however, if the amount remitted in June equals the lesser of: (1) 45 percent of the actual June liability, or (2) 50 percent of the preceding May's liability.*

Subd. 16. [PENALTY FOR SALES AFTER REVOCATION.] *A person who engages in the business of making retail sales after revocation of a permit under section 297A.07 is liable for a penalty of \$100 for each day the person continues to make taxable sales.*

Subd. 17. [OPERATOR OF FLEA MARKETS; PENALTY.] *A person who fails to comply with the provisions of section 297A.041 is subject to a penalty of \$100 for each day of each selling event that the operator fails to obtain evidence that a seller is the holder of a valid seller's permit issued under section 297A.04.*

Subd. 18. [PAYMENT OF PENALTIES.] *The penalties imposed by this section are collected and paid in the same manner as taxes.*

Subd. 19. [PENALTIES ARE ADDITIONAL.] *The civil penalties imposed by this section are in addition to the criminal penalties imposed by this chapter.*

Sec. 27. [289A.15] [CRIMINAL PENALTIES.]

Subdivision 1. [PENALTIES FOR KNOWING FAILURE TO FILE OR PAY; WILLFUL EVASION.] *(a) A person required to file a return, report, or other document with the commissioner, who knowingly fails to file it when required, is guilty of a gross misdemeanor. A person required to file a return, report, or other document who willfully attempts in any manner to evade or defeat a tax by failing to file it when required, is guilty of a felony.*

(b) A person required to pay or to collect and remit a tax, who knowingly fails to do so when required, is guilty of a gross misdemeanor. A person required to pay or to collect and remit a tax, who willfully attempts to evade or defeat a tax law by failing to do so when required, is guilty of a felony.

Subd. 2. [FALSE OR FRAUDULENT RETURNS; PENALTIES.] *(a) A person who files with the commissioner a return, report, or other document, known by the person to be fraudulent or false concerning a material matter, is guilty of a felony.*

(b) A person who knowingly aids or assists in, or advises in the preparation or presentation of a return, report, or other document that is fraudulent or false concerning a material matter, whether or not the falsity or fraud committed is with the knowledge or consent of the person authorized or required to present the return, report, or other document, is guilty of a felony.

Subd. 3. [SALES WITHOUT PERMIT; VIOLATIONS.] *(a) A person who engages in the business of making retail sales in Minnesota without*

the permit or permits required under chapter 297A, or a responsible officer of a corporation who so engages in business, is guilty of a gross misdemeanor.

(b) A person who engages in the business of making retail sales in Minnesota after revocation of a permit under section 297A.07, when the commissioner has not issued a new permit, is guilty of a felony.

Subd. 4. [ADVERTISING NO SALES OR USE TAX; VIOLATION.] It is a misdemeanor for a person to broadcast or publish, or arrange to have broadcast or published, an advertisement in a publication or broadcast media, printed, distributed, broadcast, or intended to be received in this state, that states that no sales or use tax is due, when the person knows the advertisement is false.

Subd. 5. [EMPLOYEE GIVING EMPLOYER FALSE INFORMATION.] An employee required to supply information to an employer under section 290.92, subdivisions 4a and 5, who knowingly fails to supply information or who knowingly supplies false or fraudulent information to an employer, is guilty of a gross misdemeanor.

Subd. 6. [COLLECTION OF TAX; PENALTY.] An agent, canvasser, or employee of a retailer, who is not authorized by permit from the commissioner, may not collect the sales tax as imposed by chapter 297A, nor sell, solicit orders for, nor deliver, any tangible personal property in this state. An agent, canvasser, or employee violating the provisions of sections 297A.14 to 297A.25 is guilty of a misdemeanor.

Subd. 7. [UNAUTHORIZED DISCLOSURE.] Any person disclosing any particulars of any tax return, without the written consent of the taxpayer making such return, in violation of the provisions of section 290.611, is guilty of a gross misdemeanor.

Subd. 8. [CRIMINAL PENALTIES.] Criminal penalties imposed by this section are in addition to any civil penalties imposed by this chapter.

Subd. 9. [STATUTE OF LIMITATIONS.] Notwithstanding section 628.26, or any other provision of the criminal laws of this state, an indictment may be found and filed, or a complaint filed, upon a criminal offense named in this section, in the proper court within six years after the offense is committed.

Subd. 10. [PERSON DEFINED.] The term "person" as used in this section includes any officer or employee of a corporation or a member or employee of a partnership who as an officer, member, or employee is under a duty to perform the act in respect to which the violation occurs.

Sec. 28. [289A.16] [ADMINISTRATIVE REVIEW.]

Subdivision 1. [TAXPAYER RIGHT TO RECONSIDERATION.] A taxpayer may obtain reconsideration by the commissioner of an order assessing tax, a denial of a request for abatement of penalty, or a denial of a claim for refund by filing an administrative appeal under subdivision 4. A taxpayer cannot obtain reconsideration under this section if the action taken by the commissioner is the outcome of an administrative appeal.

Subd. 2. [APPEAL BY TAXPAYER.] A taxpayer who wishes to seek administrative review must follow the procedures in subdivision 4.

Subd. 3. [NOTICE DATE.] For purposes of this section, the term "notice date" means the date of the order adjusting the tax or order denying a request for abatement, or, in the case of a denied refund, the date of the

notice of denial.

Subd. 4. [TIME AND CONTENT FOR ADMINISTRATIVE APPEAL.] Within 60 days after the notice date, the taxpayer must file a written appeal with the commissioner. The appeal need not be in any particular form but must contain the following information:

(1) name and address of the taxpayer;

(2) if a corporation, the state of incorporation of the taxpayer, and the principal place of business of the corporation;

(3) the Minnesota identification number or social security number of the taxpayer;

(4) the type of tax involved;

(5) the date;

(6) the tax years or periods involved and the amount of tax involved for each year or period;

(7) the findings in the notice that the taxpayer disputes;

(8) a summary statement that the taxpayer relies on for each exception; and

(9) the taxpayer's signature or signature of the taxpayer's duly authorized agent.

Subd. 5. [EXTENSIONS.] When requested in writing and within the time allowed for filing an administrative appeal, the commissioner may extend the time for filing an appeal for a period not more than 30 days from the expiration of the 60 days from the notice date.

Subd. 6. [DETERMINATION OF APPEAL.] On the basis of applicable law and available information, the commissioner shall determine the validity, if any, in whole or part of the appeal and notify the taxpayer of the decision. This notice must be in writing and contain the basis for the determination.

Subd. 7. [AGREEMENT DETERMINING TAX LIABILITY.] When it appears to be in the best interests of the state, the commissioner may settle any taxes, penalties, or interest that the commissioner has under consideration by virtue of an appeal filed under this section. An agreement must be in writing and signed by the commissioner and the taxpayer, or the taxpayer's representative authorized by the taxpayer to enter into an agreement. The agreement must be filed in the office of the commissioner.

Subd. 8. [APPEAL OF AN ADMINISTRATIVE DETERMINATION.] Following the determination or settlement of an appeal and notwithstanding any period of limitations for making assessments or other determinations to the contrary, the commissioner must issue an order reflecting that disposition. If the statute of limitations for making assessments or other determinations would have expired before the issuance of this order, except for this section, the order is limited to issues or matters contained in the appealed determination. Except in the case of an agreement determining tax under this section, the order is appealable to the Minnesota tax court under section 271.06.

Subd. 9. [APPEAL WHERE NO DETERMINATION.] If the commissioner does not make a determination within six months of the filing of an

administrative appeal, the taxpayer may elect to appeal to tax court.

Sec. 29. Minnesota Statutes 1988, section 290.05, subdivision 4, is amended to read:

Subd. 4. (a) Corporations, individuals, estates, trusts or organizations claiming exemption under ~~the provisions~~ of subdivision 2 shall furnish information ~~as to~~ *concerning* their exempt status under the Internal Revenue Code.

(b) ~~Such~~ Corporations, individuals, estates, trusts, and organizations shall file with the commissioner of revenue a copy of ~~any an~~ annual report that is required to be filed with the Internal Revenue Service, no later than ten days after filing ~~the same~~ *it* with the Internal Revenue Service. ~~Any An~~ annual report required of a pension plan under sections 6057 to 6059 of the Internal Revenue Code of 1954, does not need to be filed with the commissioner.

~~Any person required to file a copy of a federal return pursuant to the preceding paragraph who willfully fails to file such return shall be guilty of a misdemeanor.~~

(c) ~~In the event that~~ *If* the Internal Revenue Service revokes, cancels or suspends, in whole or part, the exempt status of any corporation, individual, estate, trust or organization referred to in ~~elause~~ *paragraph* (a), or if the amount of gross income, deductions, credits, items of tax preference or taxable income is changed or corrected by either the taxpayer or the Internal Revenue Service, or if the taxpayer consents to any extension of time for assessment of federal income taxes ~~such,~~ *the* corporation, individual, estate, trust or organization shall notify the commissioner in writing of ~~such the~~ *the* action within 90 days ~~thereafter~~ *after that date*.

(d) The periods of limitations contained in section ~~290.56~~ *shall* 289A.10, subdivision 2, apply ~~whenever~~ *when* there has been any action referred to in ~~elause~~ *paragraph* (c), notwithstanding any period of limitations to the contrary.

Sec. 30. Minnesota Statutes Second 1989 Supplement, section 290.92, subdivision 4b, is amended to read:

Subd. 4b. [WITHHOLDING BY PARTNERSHIPS.] (a) A partnership shall deduct and withhold a tax as provided in paragraph (b) when the partnership pays or credits amounts to any of its nonresident individual partners on account of their distributive shares of partnership income for a taxable year of the partnership.

(b) The amount of tax withheld is determined by multiplying the partner's distributive share allocable to Minnesota under section 290.17, paid or credited during the taxable year by the highest rate used to determine the income tax liability for an individual under section 290.06, subdivision 2c, except that the amount of tax withheld may be determined based on tables provided by the commissioner if the partner submits a withholding exemption certificate under subdivision 5.

(c) ~~A partnership required to deduct and withhold tax under this subdivision shall file a return with the commissioner. The tax required to be deducted and withheld during that year must be paid with the return. The return and payment is due on or before the due date specified for filing the partnership return under section 290.42.~~

~~(d)~~ A partnership required to withhold and remit tax under this subdivision is liable for payment of the tax to the commissioner, and a person having control of or responsibility for the withholding of the tax or the filing of returns due under this subdivision is personally liable for the tax due. The commissioner may reduce or abate the tax withheld under this subdivision if the partnership had reasonable cause to believe that no tax was due under this section.

~~(e)~~ (d) Notwithstanding paragraph (a), a partnership is not required to deduct and withhold tax for a nonresident partner if:

(1) the partner elects to have the tax due paid as part of the partnership's composite return under section 290.39, subdivision 5;

(2) the partner has Minnesota assignable federal adjusted gross income from the partnership of less than \$1,000; or

(3) the partnership is liquidated or terminated, the income was generated by a transaction related to the termination or liquidation, and no cash or other property was distributed in the current or prior taxable year; or

(4) the distributive shares of partnership income are attributable to:

(i) income required to be recognized because of discharge of indebtedness;

(ii) income recognized because of a sale, exchange, or other disposition of real estate, depreciable property, or property described in section 179 of the Internal Revenue Code of 1986, as amended through December 31, 1988; or

(iii) income recognized on the sale, exchange, or other disposition of any property that has been the subject of a basis reduction pursuant to section 108, 734, 743, 754, or 1017 of the Internal Revenue Code of 1986, as amended through December 31, 1988,

to the extent that the income does not include cash received or receivable or, if there is cash received or receivable, to the extent that the cash is required to be used to pay indebtedness by the partnership or a secured debt on partnership property.

~~(f)~~ (e) For purposes of subdivisions 6, paragraph (1)(e), subdivision 6a, 7, 11, and 15, and sections 289A.0212, subdivision 2, 289A.025, subdivision 2, paragraph (c), 289A.11, 289A.13, 289A.14, and 289A.15, a partnership is considered an employer.

~~(g)~~ (f) To the extent that income is exempt from withholding under paragraph ~~(e)~~ (d), clause (4), the commissioner has a lien in an amount up to the amount that would be required to be withheld with respect to the income of the partner attributable to the partnership interest, but for the application of paragraph ~~(e)~~ (d), clause (4). The lien arises under section 270.69 from the date of assessment of the tax against the partner, and attaches to that partner's share of the profits and any other money due or to become due to that partner in respect of the partnership. Notice of the lien may be sent by mail to the partnership, without the necessity for recording the lien. The notice has the force and effect of a levy under section 270.70, and is enforceable against the partnership in the manner provided by that section. Upon payment in full of the liability subsequent to the notice of lien, the partnership must be notified that the lien has been satisfied.

Sec. 31. Minnesota Statutes 1989 Supplement, section 290.92, subdivision 4c, is amended to read:

Subd. 4c. [WITHHOLDING BY SMALL BUSINESS CORPORATIONS.] (a) A corporation having a valid election in effect under section 290.9725 shall deduct and withhold a tax as provided in paragraph (b) when it pays or credits amounts to any of its nonresident individual shareholders as dividends or as their share of the corporation's undistributed taxable income for the taxable year.

(b) The amount of tax withheld is determined by multiplying the amount of dividends or undistributed income allocable to Minnesota under section 290.17, paid or credited to a nonresident shareholder during the taxable year by the highest rate used to determine the income tax liability of an individual under section 290.06, subdivision 2c, except that the amount of tax withheld may be determined based on tables provided by the commissioner if the shareholder submits a withholding exemption certificate under subdivision 5.

~~(c) A corporation required to deduct and withhold tax under this subdivision shall file a return with the commissioner. The tax required to be deducted and withheld during that year must be paid with the return. The return and payment is due on or before the due date specified for filing the corporate income tax return under section 290.42.~~

~~(d) A corporation required to withhold and remit tax under this section is liable for payment of the tax to the commissioner, and a person having control of or responsibility for the withholding of the tax or the filing of returns due under this subdivision is personally liable for the tax due.~~

(e) Notwithstanding paragraph (a), a corporation is not required to deduct and withhold tax for a nonresident shareholder, if:

(1) the shareholder elects to have the tax due paid as part of the corporation's composite return under section 290.39, subdivision 5;

(2) the shareholder has Minnesota assignable federal adjusted gross income from the corporation of less than \$1,000; or

(3) the corporation is liquidated or terminated, the income was generated by a transaction related to the termination or liquidation, and no cash or other property was distributed in the current or prior taxable year.

~~(f) (d) For purposes of subdivisions 6, paragraph 1(c), subdivision 6a, 7, 11, and 15, and sections 289A.0212, subdivision 2, 289A.025, subdivision 2, paragraph (c), 289A.11, 289A.13, 289A.14, and 289A.15, a corporation is considered an employer.~~

Sec. 32. Minnesota Statutes 1988, section 290.92, subdivision 6a, is amended to read:

Subd. 6a. [FAILURE TO COMPLY WITH WITHHOLDING PROVISIONS.] (a) ~~Whenever any~~ When a person who is required to deduct, withhold, pay over, or deposit any tax imposed by this chapter, at the time and in the manner prescribed by law or rules fails to deduct, withhold, or pay over ~~such the~~ tax, or fails to make deposits or payments of ~~such the~~ tax and is notified of ~~any such the~~ failure by notice served upon the person in the manner prescribed for service of a summons in civil actions, then ~~all the requirements of paragraph (b) shall be complied with met.~~ In the case of a corporation, partnership or trust, notice served upon an officer,

partner or trustee shall, for purposes of this subdivision, be ~~deemed to be considered~~ notice served upon ~~such the~~ corporation, partnership, or trust and ~~all their~~ officers, partners, or trustees ~~thereof~~.

(b) ~~Any~~ A person who is required to deduct, withhold, pay over, or deposit ~~any~~ a tax imposed by this chapter, if notice has been served upon ~~such that~~ person in accordance with paragraph (a), shall ~~thereafter after that date~~ deduct, withhold, and collect ~~such the~~ taxes and shall (not later than the end of the second banking day after any amount of such taxes is deducted, withheld or collected) deposit ~~such the~~ taxes in a separate account in a bank, savings bank or savings and loan association and shall keep the amount of ~~such the~~ taxes in ~~such that~~ account until ~~payment over paid to~~ the state of Minnesota. ~~Any such~~ The account shall ~~constitute~~ constitute ~~and must~~ be designated as a special fund in trust for the state of Minnesota payable to the state of Minnesota by ~~such that~~ person as trustee. ~~It shall be the duty of such~~ The person upon whom ~~such~~ notice is served ~~to shall~~ notify the commissioner of revenue in writing of the name and address of the bank, savings bank or savings and loan association wherein ~~such the~~ account is kept, together with ~~such~~ other information as the commissioner may require. In lieu of the trust fund account, the commissioner may, when necessary ~~in order~~ to secure the withholding of the tax imposed by this chapter, require an employer to file with the department of revenue a bond in an amount determined by the commissioner, or in lieu ~~thereof of it~~, security in a form and in an amount as the commissioner determines, not ~~to exceed more than~~ twice the estimated average liability for future monthly withholding tax periods.

(c) The commissioner of revenue, on being satisfied with respect to any notification made under paragraph (a) of this subdivision that ~~all the~~ requirements of law and rules with respect to the taxes imposed by this chapter have been and will ~~henceforth~~ be complied with, may cancel ~~such the~~ notification. ~~Such~~ The cancellation shall take effect at ~~such the~~ time as is specified in the notice of ~~such the~~ cancellation. All notices authorized or required under this subdivision shall ~~must~~ be in ~~such the~~ form as the commissioner may ~~determine~~ determine.

(d) ~~Any person who fails to comply with any provisions of this subdivision shall, in addition to any other penalties provided by law, be guilty of a gross misdemeanor, except that the provisions of this paragraph shall not apply~~

(1) ~~to any person if such person shows that there was reasonable doubt as to (a) whether the law required deduction, withholding or payment of tax or (b) what person was required by law to deduct, withhold or pay; or~~

(2) ~~to any person, if such person shows that the failure to comply with the provisions of paragraph (b) is due to circumstances beyond the person's control. A lack of funds existing immediately after the payment of wages (whether or not created by such payment) shall not be considered to be circumstances beyond the control of a person.~~

Sec. 33. Minnesota Statutes 1988, section 290.92, subdivision 24, is amended to read:

Subd. 24. [APPLICATION FOR ACCOUNT NUMBER.] An employer, or person withholding tax under section 290.923, desiring to engage in business in Minnesota shall file with the commissioner an application for a withholding account number on or before the due date of the first payment

required to be made under the provisions of subdivision 6. An application for an account number shall *must* be made upon a form prescribed by the commissioner and shall set forth. *It must give* the name of the employer or payor, the location of the place or places of business, the names, addresses and social security numbers of the owners or partners, or if the employer or payor is a corporation of the officers, or if the employer or payor is a trust of the trustees, and such other information as the commissioner may require. The application shall *must* be filed by the owner if the employer or payor is a natural person; by a member or partner if the employer or payor is an association or partnership; by a trustee if the employer or payor be a trust, or by a person authorized to sign the application if the employer or payor is a corporation.

No fee shall be charged for the application.

The account number is not assignable.

~~An employer or payor who fails to file an application for a withholding account number shall be liable to the commissioner for a penalty of \$100. The penalty shall be collected in the same manner as delinquent withholding tax is collected. The commissioner may abate this penalty.~~

Sec. 34. Minnesota Statutes 1989 Supplement, section 290.9201, subdivision 7, is amended to read:

Subd. 7. [WITHHOLDING ON COMPENSATION OF ENTERTAINERS.] The tax on compensation of an entertainer must be withheld at a rate of two percent of all compensation paid to the entertainment entity by the person or corporation having legal control of the payment of the compensation. ~~The payor is liable to the state for the payment of the tax required to be deducted and withheld, and is not liable to a person for the amount of the payment.~~ The compensation subject to withholding under this section is not subject to the withholding provisions of section 290.92, subdivision 2a, 3, or 28, except the provisions of section sections 290.92, subdivisions 6a, 7, 14, 15, and 18, 270.06, paragraph (16), 289A.0212, subdivision 2, 289A.14, and 289A.15 shall apply to withholding under this section as if the withholding were upon wages.

Sec. 35. Minnesota Statutes 1989 Supplement, section 290.9201, subdivision 8, is amended to read:

Subd. 8. [DEPOSIT OF ENTERTAINER WITHHOLDING.] (a) The person or corporation having legal control of the payment of compensation taxable under this section shall deposit the earnings tax with the commissioner, and shall file an entertainer withholding tax return with the commissioner, within 30 days of each performance.

(b) ~~The withholding tax return must be in the form prescribed by the commissioner.~~

Sec. 36. Minnesota Statutes 1989 Supplement, section 290.9201, is amended by adding a subdivision to read:

Subd. 11. [EXCEPTION FROM WITHHOLDING FOR PUBLIC SPEAKERS.] *The provisions of subdivisions 7 and 8 shall not be effective for compensation paid to nonresident public speakers before January 1, 1992, if the compensation paid to the speaker is less than \$2,000 or is only a payment of the speaker's expenses.*

Sec. 37. Minnesota Statutes 1989 Supplement, section 290.9705, subdivision 4, is amended to read:

Subd. 4. [DEPOSITS USED AS SURETY FOR COMPLIANCE WITH INCOME AND SALES TAX PROVISIONS.] The amounts deposited with the commissioner under ~~subdivisions 2 and 3~~ *subdivision 1* are considered a surety to guarantee payment of income, franchise, withholding, and sales and use taxes of the contractor. The commissioner shall retain the money deposited until the commissioner determines the contractor's liability for state income, franchise, sales and use taxes, and taxes withheld under section 290.92. ~~If the deposit exceeds the liability, the commissioner shall refund the difference to the contractor with interest at the rate specified in section 270.76 computed from the dates the amounts were deposited with the commissioner.~~

Sec. 38. Minnesota Statutes Second 1989 Supplement, section 290A.07, subdivision 2a, is amended to read:

Subd. 2a. A claimant who is a renter or a homeowner who occupies a manufactured home, as defined in section 274.19, subdivision 8, paragraph (c), shall receive full payment after August 1 and ~~prior to before~~ *before* August 15 or 60 days after receipt of the application, whichever is later. ~~Interest shall be added at the rate specified in section 270.76 from August 15 or 60 days after receipt of the application whichever is later.~~

Sec. 39. Minnesota Statutes 1988, section 290A.07, subdivision 3, is amended to read:

Subd. 3. ~~Any~~ *A* claimant not included in subdivision 2a shall receive full payment after September 15 and ~~prior to before~~ *before* September 30. ~~Interest shall be added at the rate specified in section 270.76 from September 30 or 60 days after receipt of the application, whichever is later. Interest will be computed until the date the claim is paid.~~

Sec. 40. Minnesota Statutes 1988, section 290A.19, is amended to read:

290A.19 [OWNER OR MANAGING AGENT TO FURNISH RENT CERTIFICATE; PENALTY.]

(a) The owner or managing agent of any property for which rent is paid for occupancy as a homestead ~~shall must~~ furnish a certificate of rent constituting property tax to ~~each a~~ person who is a renter on December 31, in the form prescribed by the commissioner. If the renter moves ~~prior to before~~ *before* December 31, the owner or managing agent ~~has the option to either provide may give~~ the certificate to the renter at the time of moving, or mail the certificate to the forwarding address if an address has been provided by the renter. The certificate ~~shall must~~ be made available to the renter ~~not later than January 31 before February 1~~ of the year following the year in which the rent was paid.

(b) ~~Any owner or managing agent who willfully fails to furnish a certificate to the renter and the commissioner as required by this section is liable to the commissioner for a penalty of \$100 for each act or failure to act. The penalty shall be assessed and collected in the manner provided in chapter 290 for the assessment and collection of income tax. If the owner or managing agent willfully furnishes certificates that report total rent constituting property taxes in excess of the amount of actual property taxes paid on the rented part of a property, as determined under this section, the owner or managing agent is liable for a penalty equal to the greater of (1)~~

~~\$100 or (2) 50 percent of the excess that is reported. If the owner or managing agent reports a total amount of rent constituting property taxes that exceeds by ten percent or more the actual property taxes, the report is deemed to be willful.~~

(e) If the owner or managing agent elects to provide ~~provides~~ the renter with the certificate at the time of moving, rather than after December 31, the amount of rent constituting property taxes ~~shall~~ *must* be computed as follows:

(i) The net tax ~~shall~~ *must* be reduced by 1/12 for each month remaining in the calendar year.

(ii) In calculating the denominator of the fraction pursuant to under section 290A.03, subdivision 11, the gross rent paid through the last month of claimant's occupancy ~~shall~~ *must* be substituted for "the gross rent paid for the calendar year for the property in which the unit is located."

~~(d) (c)~~ The certificate of rent constituting property taxes ~~shall~~ *must* include the address of the property, including the county, and the property tax parcel identification number and any additional information ~~which that~~ the commissioner determines is appropriate.

~~(e) (d)~~ If the owner or managing agent fails to provide the renter with a certificate of rent constituting property taxes, the commissioner shall allocate the net tax on the building to the unit on a square footage basis or other appropriate basis as the commissioner determines. The renter shall supply the commissioner with a statement from the county treasurer ~~which that~~ gives the amount of property tax on the parcel, the address and property tax parcel identification number of the property, and the number of units in the building.

~~(f) The owner or managing agent must file a copy of the certificate of rent paid with the commissioner before April 15 of the year following the year in which the rent was paid. The commissioner may require that each owner or managing agent report on a single form the total property taxes for a property and the allocation of the property taxes as rent constituting property taxes among the renters of the property.~~

Sec. 41. Minnesota Statutes 1988, section 297A.03, subdivision 2, is amended to read:

Subd. 2. ~~It shall be unlawful for any retailer to advertise or hold out or state to the public or any customer, directly or indirectly, that the tax or any part thereof will be assumed or absorbed by the retailer, or that it will not be added to the sales price or that, if added, it or any part thereof will be refunded except that~~ In computing the tax to be collected as the result of any transaction amounts of tax less than one-half of one cent may be disregarded and amounts of tax ~~if of~~ one-half cent or more may be considered an additional cent. If the sales price of any sale at retail is eight cents or less, no tax shall be collected. ~~Any person violating this provision shall be guilty of a misdemeanor.~~

Sec. 42. Minnesota Statutes 1988, section 297A.041, is amended to read:

297A.041 [OPERATOR OF FLEA MARKETS; SELLER'S PERMITS REQUIRED; ~~PENALTY.~~]

The operator of a flea market, craft show, antique show, coin show, stamp

show, comic book show, convention exhibit area, or similar selling event, as a prerequisite to renting or leasing space on the premises owned or controlled by the operator to a person desiring to engage in or conduct business as a seller, shall obtain evidence that the seller is the holder of a valid seller's permit issued pursuant to under section 297A.04, or a written statement from the seller that the seller is not offering for sale any item that is taxable under this chapter.

Flea market, craft show, antique show, coin show, stamp show, comic book show, convention exhibit area, or similar selling event, as used in this section, means an activity involving a series of sales sufficient in number, scope, and character to constitute a regular course of business, and which that would not qualify as an isolated or occasional sale pursuant to under section 297A.25, subdivision 12.

Any operator who fails or refuses to comply with the provisions of this section shall be subject to a penalty payable to the commissioner of revenue of \$100 for each day of each selling event that the operator fails to obtain evidence that the seller is the holder of a valid seller's permit issued pursuant to section 297A.04.

This section does not apply to an operator of a flea market, craft show, antique show, coin show, stamp show, comic book show, convention exhibit area, or similar selling event which that is: (1) held in conjunction with a community sponsored festival which that has a duration of four or fewer consecutive days no more than once a year; or (2) conducted by a nonprofit organization annually or less frequently.

Sec. 43. Minnesota Statutes 1989 Supplement, section 297A.17, is amended to read:

297A.17 [~~TAX TO BE COLLECTED~~; STATUS AS DEBT.]

The use tax required to be collected by the retailer constitutes a debt owed by the retailer to Minnesota and shall be a debt from the purchaser to the retailer recoverable at law in the same manner as other debts. A retailer who does not maintain a place of business within this state, as defined in section 297A.21, subdivision 1, shall not be indebted to Minnesota for amounts of use tax which it was required to collect but did not collect unless the retailer knew or had been advised by the commissioner of its obligation to collect the use tax.

Sec. 44. Minnesota Statutes 1988, section 297A.18, is amended to read:

297A.18 [~~ADVERTISING NO TAX~~; MINIMUM TAX.]

It shall be unlawful for any retailer to advertise or hold out or state to the public or to any customer, directly or indirectly, that the use tax or any part thereof will be assumed or absorbed by the retailer, or that it will not be added to the sales price or that, if added, it or any part thereof will be refunded except that in computing the tax to be collected as the result of any transaction amounts of tax less than one-half of one cent may be disregarded and amounts of tax of one-half cent or more may be considered an additional cent.

It is unlawful for a person to broadcast or publish, or arrange to have broadcast or published, an advertisement in a publication or broadcast media, printed, distributed, broadcast, or intended to be received in this state, that states that no sales or use tax is due under this chapter, when the person knows the advertisement is false.

Sec. 45. Minnesota Statutes 1988, section 297A.211, subdivision 3, is amended to read:

Subd. 3. ~~Any~~ A person who pays the tax to the seller as provided in under section 297A.03 or pays the tax to the motor vehicle registrar as required by section 297B.02 and who meets the requirements of section 297A.211 at the time of the sale, except that the person has not registered as a retailer pursuant to under this section at the time of the sale, may register as a retailer, make a return, and file for a refund of the difference between the tax calculated under section 297A.02, 297A.14, or 297B.02 and the tax calculated under subdivision 2. ~~The person must file for a refund within the time limitations provided in section 297A.35. Notwithstanding the provisions of section 297A.35, subdivision 1, interest shall be allowed for any refund allowed under this subdivision only from the date on which the person has both registered as a retailer and filed a claim for refund.~~

Sec. 46. [PURPOSE.]

It is the intent of the legislature to simplify Minnesota's tax laws by consolidating and recodifying tax administration and compliance provisions now contained in several chapters of Minnesota Statutes. Due to the complexity of the recodification, prior provisions are repealed on the effective date of the new provisions. The repealed provisions, however, continue to remain in effect until superseded by the analogous provision in the new law.

Sec. 47. [REPEALER.]

Minnesota Statutes 1988, sections 270.651; 290.05, subdivision 5; 290.067, subdivision 5; 290.281, subdivision 5; 290.29; 290.37, as amended by Laws 1989, First Special Session chapter 1, article 10, section 32; 290.39, as amended by Laws 1989, chapter 335, article 1, section 188; 290.391; 290.40; 290.41; 290.42; 290.43; 290.44; 290.45; 290.46; 290.47; 290.49; 290.50, as amended by Laws 1989, chapter 184, article 2, section 20; 290.521; 290.522; 290.523, as amended by Laws 1989, chapter 184, article 2, section 21; 290.53, subdivisions 1, 1a, 2, 2a, 3, 3a, 4, 7, 8, 9, 10, and 11; 290.54; 290.56; 290.57; 290.58; 290.59; 290.611, subdivision 5; 290.65; 290.92, subdivisions 6, 7, 8, 11, 13, 14, 15, and 18; 290.9201, subdivisions 4, 5, 9, and 10; 290.923, subdivision 7; 290.93; 290.931; 290.932; 290.933; 290.934, as amended by Laws 1989, First Special Session chapter 1, article 10, section 37; 290.935; 290.936; 290.9705, subdivision 2; 290.974; 290A.06; 290A.11, subdivisions 1, 2, 3, and 4; 290A.111; 290A.112, as amended by Laws 1989, chapter 184, article 2, section 26; 290A.12; 291.09; 291.11; 291.131; 291.14; 291.15, subdivisions 1 and 3; 291.215, subdivisions 2 and 3; 291.31, subdivision 1; 291.32; 297A.08; 297A.121; 297A.15, subdivision 3; 297A.26, subdivisions 1 and 4; 297A.27; 297A.275; 297A.30; 297A.31; 297A.32; 297A.33, subdivisions 1, 3, 4, and 5; 297A.34; 297A.35; 297A.39, subdivisions 1, 2, 2a, 3, 4, 7, and 8; 297A.40; 297A.41; 297A.42; and 297A.44, subdivision 2, are repealed. Minnesota Statutes 1989 Supplement, sections 290A.11, subdivision 1a; and 297A.20, are repealed. Minnesota Statutes Second 1989 Supplement, sections 270.77 and 290.38 are repealed. Minnesota Rules, parts 8052.0100, 8052.0200, and 8130.7800, are repealed.

Sec. 48. [INSTRUCTIONS TO REVISOR.]

(a) *If a provision of a section of Minnesota Statutes repealed by section*

47 is amended by the 1990 regular session, the revisor shall codify the amendment consistent with the recodification of the affected section by this act, notwithstanding any law to the contrary.

(b) In the next edition of Minnesota Statutes, in the sections referred to in column A, the revisor of statutes shall delete the reference in column B and insert the reference in column C. The revisor may change the references in column C to the sections of Minnesota Statutes in which the bill sections are compiled.

Column A	Column B	Column C
60A.15, subd. 6	290.53, subd. 1	289A.14, subd. 1
60A.15, subd. 9a	290.53, subd. 2	289A.14, subd. 2
60A.15, subd. 9b	290.53, subd. 3a	289A.14, subd. 6
60A.15, subd. 9c	290.53, subd. 3	289A.14, subd. 5
60A.15, subd. 9d	290.53, subd. 4	289A.15, subs. 1 and 3
60A.199, subd. 4	290.53, subd. 2	289A.14, subd. 2
60A.199, subd. 5	290.53, subd. 3a	289A.14, subd. 6
60A.199, subd. 6	290.53, subd. 3	289A.14, subd. 5
69.59	290.53	289A.14
115B.24, subd. 4	290.936	289A.11
270.10, subd. 1	290.42, clause (6)	289A.024, subs. 1 and 2
270A.07, subd. 5	290.92, subd. 13, clause (1)	289A.13, subd. 2
290.01, subd. 10	290.40(2)	289A.021, subd. 5
290.05, subd. 4	290.56	289A.06, subs. 8 and 9
290.095, subd. 7	290.37, subd. 1	289A.021, subd. 9
290.095, subd. 9	290.46	289A.08
290.095, subd. 9	290.50	289A.11
290.30	290.29	289A.029, subd. 3
290.371, subd. 2	290.37	289A.021
290.923, subd. 3	290.92, subd. 6	289A.0212 and 289A.025, subd. 2
290.923, subd. 4	290.92, subd. 7	289A.0212, subd. 2
290A.24	290.93	289A.026
291.09, subd. 3a	291.11	289A.10, subd. 1
297.09, subd. 1	Minnesota Statutes 1945, 290.56 to 290.58	270.06
297.37, subd. 1	290.56 to 290.58	270.06
297A.04	297A.27, subd. 2	289A.0216, subd. 3
297A.15, subd. 5	297A.34	289A.08
297A.211, subd. 2	297A.26 and 297A.27	289A.025, subd. 4 and 289A.0216
297A.211, subd. 3	297A.35	289A.08
299F.21, subd. 2	290.53, subd. 1	289A.14, subd. 1
299F.23, subd. 2	290.53, subd. 2	289A.14, subd. 2
299F.23, subd. 3	290.53, subd. 3a	289A.14, subd. 6
299F.23, subd. 4	290.53, subd. 3	289A.14, subd. 5
302A.821, subd. 1	290.37	289A.021
302A.821, subd. 1	290.974	289A.0218, subd. 3
349.2121, subd. 6	297A.39	289A.14
356.62	290.41	289A.0218

356.62	290.42	289A.0218
388.051, subd. 2	290.53, subds. 4 and 11	289A.15, subds. 1, 2, 4, and 6
	290.92, subd. 15	
	290A.11, subd. 2	
	297A.08	
	297A.39, subds. 4 and 8	
469.171, subd. 10	290.50	289A.11
588.21	290.39, subd. 1	289A.04, subd. 3

Sec. 49. [EFFECTIVE DATES.]

Sections 1, 2, 36, and 46 are effective the day following final enactment.

Sections 15 and 16 are effective for audits or investigations initiated on or after August 1, 1990.

Sections 17 and 28 are effective for assessments or other determinations made on or after August 1, 1990.

Section 18 is effective for returns becoming due on or after August 1, 1990.

Sections 20 and 23 are effective for overpayments of taxes or other payments first becoming due on or after August 1, 1990.

Section 24 is effective for interest on amounts first becoming due to the commissioner on or after August 1, 1990.

Sections 3 to 14 and 25 are effective for returns, reports, taxes, or other payments first becoming due on or after August 1, 1990, except that the exclusion for foreign operating corporations from the filing requirements in section 3 is effective on the effective date of Minnesota Statutes, section 290.01, subdivision 6b.

Section 26 is effective for payments, returns, reports, or other documents first becoming due, or acts committed, on or after August 1, 1990.

Section 27 is effective for crimes committed on or after August 1, 1990.

Sections 19, 21, 22, 29 to 35, 37 to 45, and 47 are effective August 1, 1990.

ARTICLE 2

COLLECTIONS

Section 1. Minnesota Statutes 1989 Supplement, 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) exercise and perform such further powers and duties as may be required or imposed upon the commissioner of revenue by law; 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) promulgate rules having the force and effect of law, for the administration and enforcement of the property tax; 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) execute and administer any agreement with the secretary of the treasury of the United States regarding the exchange of information and administration of the tax laws of both the United States and the state of Minnesota; 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;

~~(16)~~ *(19) administer and enforce the provisions of sections 325D.30 to 325D.42, the Minnesota unfair cigarette sales act; and*

~~(17)~~ *(20) authorize the use of unmarked motor vehicles to conduct seizures or criminal investigations pursuant to the commissioner's authority-; and*

(21) exercise other powers and perform other duties required of or imposed upon the commissioner of revenue by law.

Sec. 2. [270.101] [PERSONAL LIABILITY.]

Subdivision 1. [LIABILITY IMPOSED.] A person who, either singly or jointly with others, has the control of, supervision of, or responsibility for filing returns or reports, paying taxes, or collecting or withholding and remitting taxes and who fails to do so, or a person who is liable under any other law, is liable for the payment of taxes, penalties, and interest arising under chapters 296, 297, 297A, and 297C, or sections 290.92, 349.212, and 349.2121.

Subd. 2. [PERSON DEFINED.] The term "person" includes, but is not limited to, a corporation, estate, trust, organization, or association, whether organized for profit or not, an officer or director of a corporation, a member of a partnership, an employee, a third party (including, but not limited to, a financial institution, lender, or surety), and any other individual or entity.

Subd. 3. [PROCEDURE FOR ASSESSMENT.] The commissioner may assess liability for the taxes described in subdivision 1 against a person liable under this section. The assessment may be based upon information available to the commissioner. It must be made within the prescribed period of limitations for assessing the underlying tax. An order assessing personal liability under this section is reviewable under section 289A.16 and is appealable to tax court.

Sec. 3. Minnesota Statutes 1988, section 270.65, is amended to read:
270.65 [DATE OF ASSESSMENT; DEFINITION.]

For purposes of ~~this chapter and chapters 290, 296, and 297A,~~ *taxes administered by the commissioner,* the term "date of assessment" means the date a return was filed or the date a return should have been filed, whichever is later; or, in the case of taxes determined by the commissioner, "date of assessment" means the date of the order assessing taxes; or, in

the case of an amended return filed by the taxpayer, the assessment date is the date the return was filed with the commissioner.

Sec. 4. [270.652] [ALLOCATION OF PAYMENT.]

In the discretion of the commissioner of revenue, payments received for taxes may be credited first to the oldest liability not secured by a judgment or lien. For liabilities to which payments are applied, the commissioner may credit payments first to penalties, next to interest, and then to the tax due.

Sec. 5. Minnesota Statutes 1988, section 270.67, subdivision 1, is amended to read:

Subdivision 1. [LIABILITY AGREEMENTS.] The commissioner of revenue, or any officer or employee of the department of revenue authorized in writing by the commissioner, is authorized to enter into an agreement in writing with any taxpayer, or duly authorized agent or representative of the taxpayer, relating to the liability of the taxpayer in respect of any state tax administered by the commissioner for any taxable period ending prior to the date of the agreement. ~~If the agreement is approved by the commissioner within the time stated in the agreement, or later agreed to,~~ The agreement shall be final and conclusive; and, except upon a showing of fraud or malfeasance, or misrepresentation of a material fact, the case shall not be reopened as to the matters agreed upon, or the agreement modified, by any officer, employee, or agent of the state; and, in any suit, action, or proceeding, the agreement, or any determination, assessment, collection, payment, abatement, refund, or credit made in accordance with the agreement, shall not be annulled, modified, set aside, or disregarded.

Sec. 6. Minnesota Statutes 1988, section 270.67, subdivision 2, is amended to read:

Subd. 2. [EXTENSION AGREEMENTS.] When any portion of any tax payable to the commissioner of revenue together with interest and penalty thereon, if any, has not been paid ~~six months from the date prescribed by law for its payment,~~ the commissioner may extend the time for payment for a further period ~~not to exceed 36 months.~~ When the authority of this section is invoked, the extension shall be evidenced by written agreement signed by the taxpayer and the commissioner, stating the amount of the tax with penalty and interest, if any, and providing for the payment of the amount in regular weekly, semimonthly or monthly installments. The agreement shall contain a confession of judgment for the amount and for any unpaid portion thereof and shall provide that the commissioner may forthwith enter judgment against the taxpayer in the district court of the county of residence as shown upon the taxpayer's tax return for the unpaid portion of the amount specified in the extension agreement. *The commissioner may accept other collateral the commissioner considers appropriate to secure satisfaction of the tax liability.* The principal sum specified in the agreement shall bear interest at the rate specified in section 270.75 on all unpaid portions thereof until the same has been fully paid or the unpaid portion thereof has been entered as a judgment. The judgment shall bear interest at the rate specified in section 270.75. If it appears to the commissioner that the tax reported by the taxpayer is in excess of the amount actually owing by the taxpayer, the extension agreement or the judgment entered pursuant thereto shall be corrected. If after making the extension agreement or entering judgment with respect thereto, the commissioner determines that the tax as reported by the taxpayer is less than the amount actually

due, the commissioner shall assess a further tax in accordance with the provisions of law applicable to the tax. The authority granted to the commissioner by this section is in addition to any other authority granted to the commissioner by law to extend the time of payment or the time for filing a return and shall not be construed in limitation thereof.

Sec. 7. Minnesota Statutes 1988, section 270.68, subdivision 1, is amended to read:

Subdivision 1. [LEGAL ACTION.] In addition to all other methods authorized by law for the collection of tax, if any tax payable to the commissioner of revenue or to the department of revenue, including penalties and interest thereon, is not paid within 60 days after it is required by law to be paid, the commissioner of revenue may, *proceed under this subdivision*. Within five years after the date of assessment of the tax, *or, if the action is to renew a judgment, at any time before the judgment's expiration, the commissioner may bring an action at law against the person liable for the payment or collection of the tax, in the name of the state, for the recovery of the tax and interest and penalties due in respect thereof*. The action shall be brought in the district court of the judicial district in which lies the county of the residence or principal place of business within this state of the taxpayer, or, in the case of an estate or trust, of the place of its principal administration, and for this purpose the place named as such in the return, if any, made by the taxpayer shall be conclusive against the taxpayer in this matter. If no place is named in the return, the action may be commenced in Ramsey county. The action shall be commenced by filing with the court administrator a statement showing the name and address of the taxpayer, if known, an itemized summary of the taxable periods and the type of tax, the tax due and unpaid and the interest and penalties due with respect thereto under the provisions of law applicable to the tax, and shall contain a prayer that the court adjudge the taxpayer to be indebted on account of the taxes, interest, and penalties in the amount specified in the statement; a copy of the statement shall be furnished to the court administrator therewith. The court administrator shall mail a copy of the statement by certified mail to the taxpayer at the address given in the return, if any; and, ~~if no address is given, then at~~ to the taxpayer's last known address, within five days after the same is filed, except that, if the taxpayer's address is not known, notice shall be made by posting a copy of the statement for ten days in the place in the courthouse where public notices are regularly posted. To litigate the claim, or any part ~~thereof of it~~, the taxpayer shall ~~file a verified~~ *serve an answer with the court administrator setting forth objections to the claim, or any part thereof; the answer shall be filed upon the commissioner* on or before the 20th day after the date of mailing the statement; or, if notice has been given by posting, on or before the 20th day after the expiration of the period during which the notice was required to be posted. If no answer is ~~filed served~~ *served* within the specified time, the court administrator, upon the filing of an affidavit of default, shall enter judgment for the state in the amount prayed for, plus costs of \$10. If an answer is filed, the issues raised shall stand for trial as soon as possible after the filing of the answer, and the court shall determine the issues and direct judgment accordingly; and, if the taxes, interest, or penalties are sustained to any extent over the amount rendered by the taxpayer, shall assess \$10 costs against the taxpayer. The court shall disregard all technicalities and matters of form not affecting the substantial merits. The commissioner may call upon the county attorney or the attorney general to conduct the proceedings on behalf of the state. Execution shall be issued upon the judgment

at the request of the commissioner, and the execution shall, in all other respects, be governed by the laws applicable to executions issued on judgments. Only the homestead and household goods of the judgment debtor shall be exempt from seizure and sale upon the execution.

Sec. 8. Minnesota Statutes 1988, section 270.68, subdivision 3, is amended to read:

Subd. 3. [TAX PRESUMED VALID.] The tax, as assessed by the commissioner, with any penalties included therein, shall be presumed to be valid and correctly determined and assessed, and the burden shall be upon the taxpayer to show its incorrectness or invalidity. ~~The A statement filed by the commissioner with the court administrator, as provided in subdivision 1, or any other certificate by the commissioner of showing the amount of the tax and penalties as determined or assessed by the commissioner, shall be~~ *is* admissible in evidence and shall establish prima facie the facts set forth therein.

Sec. 9. Minnesota Statutes 1988, section 270.69, subdivision 2, is amended to read:

Subd. 2. [FILING OF LIENS NECESSARY FOR ENFORCEABILITY AGAINST CERTAIN PERSONS.] The lien imposed by subdivision 1 is not enforceable against any purchaser, mortgagee, pledgee, holder of a uniform commercial code security interest, mechanic's lienor, or judgment lien creditor *whose interest has been duly perfected or is entitled to protection under applicable provisions of state law*, until a notice of lien has been filed by the commissioner of revenue in the office of the county recorder of the county in which ~~the real~~ property is situated, or in the case of personal property belonging to an individual who is not a resident of this state, ~~or which is to a corporation, partnership, or other organization, in the office of the secretary of state, or in the case of personal property belonging to a resident individual, in the office of the county recorder of the county of residence of the individual.~~ Notwithstanding any other law to the contrary, the department of revenue is exempt from the payment of fees at the time the lien is offered for filing or recording. The fee for filing or recording the lien must be paid at the time the release of lien is offered for filing or recording. Notwithstanding any law to the contrary, the fee for filing or recording the lien or the release of lien is \$15.

Sec. 10. Minnesota Statutes 1988, section 270.69, subdivision 3, is amended to read:

Subd. 3. [EXEMPT PROPERTY.] The lien imposed on personal property by this section, even though properly filed, is not enforceable: (1) against a purchaser with respect to tangible personal property purchased at retail, *in the ordinary course of the seller's trade or business, unless at the time of purchase the purchaser intends the purchase to or knows the purchase will hinder, evade, or defeat the collection of a tax;* or (2) against the personal property listed as exempt in sections 550.37, 550.38, and 550.39.

Sec. 11. Minnesota Statutes 1988, section 270.69, subdivision 7, is amended to read:

Subd. 7. [NOTICE OF MORTGAGE FORECLOSURE OR CONTRACT TERMINATION.] ~~If a lien has been filed by the commissioner of revenue against real property pursuant to this section; and, subsequent to the recording of the lien; In the case of a mortgage foreclosure upon the real property is commenced under chapter 580, or a termination of contract of sale of~~

the real property is commenced under section 559.21, if the commissioner has filed a lien under this section before the foreclosure sale or date of termination, notice of the mortgage foreclosure or termination of contract of sale shall be mailed to the commissioner not less than 25 days prior to the foreclosure sale or date of termination. Provided, notice need not be given pursuant to this subdivision if the lien of the commissioner has been filed within 30 days or less prior to the foreclosure sale or date of termination. ~~The contents of the notice shall be as prescribed in section 7425(c)(1) of the Internal Revenue Code of 1954, as amended through December 31, 1982;~~ must contain the following information: (1) the name and address of the taxpayer; (2) a copy of the notice of mortgage foreclosure or contract for deed cancellation; (3) a copy of the lien filed by the commissioner; (4) the total unpaid balance of the mortgage or contract for deed; (5) a legal description of the property; and (6) the fair market value of the property.

Sec. 12. Minnesota Statutes 1988, section 270.69, subdivision 8, is amended to read:

Subd. 8. [FILING ENTITLEMENT.] Execution of notices of liens or of other notices affecting state tax liens by the original or facsimile signature of the commissioner of revenue or a delegate entitles them to be filed, and no other attestation, certification, or acknowledgment is necessary.

Sec. 13. Minnesota Statutes 1988, section 270.69, is amended by adding a subdivision to read:

Subd. 12. [LIEN RELEASE FEE.] A fee of \$25 must be paid to the commissioner of revenue for each duplicate of an original release of lien.

Sec. 14. Minnesota Statutes 1988, section 270.70, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY OF COMMISSIONER.] If any tax payable to the commissioner of revenue or to the department of revenue is not paid when due, such tax may be collected by the commissioner of revenue within five years after the date of assessment of the tax, *or if a lien has been filed, during the period the lien is enforceable*, or if the tax judgment has been filed, within the statutory period of enforcement of a valid tax judgment, by a levy upon all property and rights to property, including any property in the possession of law enforcement officials, of the person liable for the payment or collection of such tax (except that which is exempt from execution pursuant to section 550.37) or property on which there is a lien provided in section 270.69. For this purpose, the term "tax" shall include any penalty, interest and costs properly payable. The term "levy" includes the power of distraint and seizure by any means.

Sec. 15. Minnesota Statutes 1989 Supplement, section 270.73, subdivision 1, is amended to read:

Subdivision 1. [POSTING, NOTICE.] Pursuant to section 270B.12, subdivision 4, the commissioner shall, by the 15th of each month, submit to the commissioner of public safety a list of all taxpayers who are required to withhold or collect the tax imposed by section 290.92 or 297A.02, *or local sales and use tax payable to the commissioner of revenue*, and who are 30 days or more delinquent in either filing a tax return or paying the tax. At least ten days before notifying the commissioner of public safety, the commissioner of revenue shall notify the taxpayer of the intended action.

The commissioner of public safety shall post the list in the same manner

as provided in section 340A.318, subdivision 3. The list will prominently show the date of posting. If a taxpayer previously listed cures the delinquency by filing all returns and paying all taxes, the commissioner shall notify the commissioner of public safety within two business days that the delinquency was cured.

Sec. 16. Minnesota Statutes 1988, section 290.92, subdivision 23, is amended to read:

Subd. 23. [WITHHOLDING BY EMPLOYER OF DELINQUENT TAXES.] (1) The commissioner may, within five years after the date of assessment of the tax, *or if a lien has been filed under section 270.69, within the statutory period for enforcement of the lien*, give notice to any employer deriving income which has a taxable situs in this state regardless of whether the income is exempt from taxation, that an employee of that employer is delinquent in a certain amount with respect to any state taxes, including penalties, interest and costs. The commissioner can proceed under this subdivision only if the tax is uncontested or if the time for appeal of the tax has expired. The commissioner shall not proceed under this subdivision until the expiration of 30 days after mailing to the taxpayer, at the taxpayer's last known address, a written notice of (a) the amount of taxes, interest, and penalties due from the taxpayer and demand for their payment, and (b) the commissioner's intention to require additional withholding by the taxpayer's employer pursuant to this subdivision. The effect of the notice shall expire 180 days after it has been mailed to the taxpayer provided that the notice may be renewed by mailing a new notice which is in accordance with this subdivision. The renewed notice shall have the effect of reinstating the priority of the original claim. The notice to the taxpayer shall be in substantially the same form as that provided in section 571.41. The notice shall further inform the taxpayer of the wage exemptions contained in section 550.37, subdivision 14. If no statement of exemption is received by the commissioner within 30 days from the mailing of the notice, the commissioner may proceed under this subdivision. The notice to the taxpayer's employer may be served by mail or by delivery by an employee of the department of revenue and shall be in substantially the same form as provided in section 571.495. Upon receipt of notice, the employer shall withhold from compensation due or to become due to the employee, the total amount shown by the notice, subject to the provisions of section 571.55. ~~The employer shall continue to withhold each pay period until the total amount shown by the notice is paid in full~~ *released by the commissioner under section 270.709*. Upon receipt of notice by the employer, the claim of the state of Minnesota shall have priority over any subsequent garnishments or wage assignments. The commissioner may arrange between the employer and the employee for withholding a portion of the total amount due the employee each pay period, until the total amount shown by the notice plus accrued interest has been withheld.

The "compensation due" any employee is defined in accordance with the provisions of section 571.55. The maximum withholding allowed under this subdivision for any one pay period shall be decreased by any amounts payable pursuant to a garnishment action with respect to which the employer was served prior to being served with the notice of delinquency and any amounts covered by any irrevocable and previously effective assignment of wages; the employer shall give notice to the department of the amounts and the facts relating to such assignments within ten days after the service of the notice of delinquency on the form provided by the department of

revenue as noted in this subdivision. ~~In crediting amounts withheld against delinquent taxes of an employee, the department shall apply amounts withheld in the following order: penalties, interest, tax and costs.~~

(2) If the employee ceases to be employed by the employer before the full amount set forth in a notice of delinquency plus accrued interest has been withheld, the employer shall immediately notify the commissioner in writing of the termination date of the employee and the total amount withheld. No employer may discharge any employee by reason of the fact that the commissioner has proceeded under this subdivision. If an employer discharges an employee in violation of this provision, the employee shall have the same remedy as provided in section 571.61, subdivision 2.

(3) ~~Within ten days after the expiration of such pay period, the employer shall, by the date prescribed in subdivision 6,~~ remit to the commissioner, on a form and in the manner prescribed by the commissioner, the amount withheld during ~~the calendar quarter~~ *each pay period* under this subdivision. Should any employer, after notice, willfully fail to withhold in accordance with the notice and this subdivision, or willfully fail to remit any amount withheld as required by this subdivision, the employer shall be liable for the total amount set forth in the notice together with accrued interest which may be collected by any means provided by law relating to taxation. No amount required to be paid by an employer by reason of the employer's failure to remit under this subdivision, may be deducted from the gross income of the employer, under sections 290.09, subdivision 4 or 290.01, subdivisions 20 to 20f. Any amount collected from the employer for failure to withhold or for failure to remit under this subdivision shall be credited to the employee's account in the following manner: penalties, interest, tax and costs.

(4) Clauses (1), (2) and (3), except provisions imposing a liability on the employer for failure to withhold or remit, shall apply to cases in which the employer is the United States or any instrumentality thereof or this state or any municipality or other subordinate unit thereof.

(5) The commissioner shall refund to the employee excess amounts withheld from the employee under this subdivision. If any excess results from payments by the employer because of willful failure to withhold or remit as prescribed in clause (3) above, the excess attributable to the employer's payment shall be refunded to the employer.

(6) Employers required to withhold delinquent taxes, penalties, interest and costs under this subdivision shall not be required to compute any additional interest, costs or other charges to be withheld.

(7) The collection remedy provided to the commissioner by this subdivision shall have the same legal effect as if it were a levy made pursuant to section 270.70.

Sec. 17. Minnesota Statutes 1988, section 524.3-1001, is amended to read:

524.3-1001 [FORMAL PROCEEDINGS TERMINATING ADMINISTRATION; TESTATE OR INTESTATE; ORDER OF DISTRIBUTION, DECREE, AND GENERAL PROTECTION.]

(a) (1) A personal representative or any interested person may petition for an order of complete settlement of the estate. The personal representative may petition at any time, and any other interested person may petition after

one year from the appointment of the original personal representative except that no petition under this section may be entertained until the time for presenting claims which arose prior to the death of the decedent has expired. The petition may request the court to determine testacy, if not previously determined, to consider the final account or compel or approve an accounting and distribution, to construe any will or determine heirs and adjudicate the final settlement and distribution of the estate. After notice to all interested persons and hearing the court may enter an order or orders, on appropriate conditions, determining the persons entitled to distribution of the estate, and, as circumstances require, approving settlement and directing or approving distribution of the estate and discharging the personal representative from further claim or demand of any interested person.

(2) In such petition for complete settlement of the estate, the petitioner may apply for a decree. Upon the hearing, if in the best interests of interested persons, the court may issue its decree which shall determine the persons entitled to the estate and assign the same to them in lieu of ordering the assignment by the personal representative. The decree shall name the heirs and distributees, state their relationship to the decedent, describe the property, and state the proportions or part thereof to which each is entitled. In the estate of a testate decedent, no heirs shall be named in the decree unless all heirs be ascertained.

(3) In solvent estates, the hearing may be waived by written consent to the proposed account and decree of distribution or order of distribution by all heirs or distributees, and the court may then enter its order allowing the account and issue its decree or order of distribution.

(4) Where a decree or order for distribution is issued, the personal representative shall not be discharged until all property is paid or transferred to the persons entitled thereto, and the personal representative has otherwise fully discharged the trust. If ~~objections are an order assessing estate tax or request for documents~~ is filed with the court by the commissioner of revenue, no discharge shall be issued until the ~~objections are determined assessment is paid or the request is complied with~~. If no ~~objection order assessing estate tax or request for documents~~ is filed, the court shall have the power to settle and distribute the estate and discharge the personal representative without regard to tax obligations.

(b) If one or more heirs or devisees were omitted as parties in, or were not given notice of, a previous formal testacy proceeding, the court, on proper petition for an order of complete settlement of the estate under this section, and after notice to the omitted or unnotified persons and other interested parties determined to be interested on the assumption that the previous order concerning testacy is conclusive as to those given notice of the earlier proceeding, may determine testacy as it affects the omitted persons and confirm or alter the previous order of testacy as it affects all interested persons as appropriate in the light of the new proofs. In the absence of objection by an omitted or unnotified person, evidence received in the original testacy proceeding shall constitute prima facie proof of due execution of any will previously admitted to probate, or of the fact that the decedent left no valid will if the prior proceedings determined this fact.

Sec. 18. [REPEALER.]

(a) *Minnesota Statutes 1988, section 270.10, subdivision 4, is repealed.*

(b) *Minnesota Statutes 1988, section 270.08 is repealed.*

(c) Minnesota Statutes 1988, sections 290.53, subdivision 5 and 297A.39, subdivision 5, are repealed.

(d) Minnesota Statutes 1988, sections 290.52; 291.31, subdivision 2; 297A.29; and 297A.37, are repealed.

Sec. 19. [EFFECTIVE DATES.]

Sections 1, 3, 13, 15, 16, 17, and 18, paragraph (d), are effective August 1, 1990.

Sections 5, 6, 7, 8, 14, and 18, paragraph (b), are effective the day following final enactment.

Sections 9 and 10 are effective for liens imposed on or after August 1, 1990.

Section 11 is effective for mortgage foreclosures or terminations of contracts of sale of real property commenced after August 1, 1990.

Section 12 is effective for notices executed on or after August 1, 1990.

Sections 4 and 18, paragraph (c), are effective for payments received on or after August 1, 1990.

Sections 2 and 18, paragraph (a), are effective for taxes becoming due on or after August 1, 1990.

ARTICLE 3

GASOLINE AND SPECIAL FUEL TAXES

Section 1. Minnesota Statutes 1988, section 296.18, subdivision 2, is amended to read:

Subd. 2. [FAILURE TO USE OR SELL GASOLINE OR SPECIAL FUEL FOR INTENDED PURPOSES; REPORTS REQUIRED.] (1) Any person who shall buy aviation gasoline or special fuel for aircraft use and who shall have paid the excise taxes due thereon directly or indirectly through the amount of the tax being included in the price thereof, or otherwise, and shall use said gasoline or special fuel in motor vehicles or shall knowingly sell it to any person for use in motor vehicles shall, on or before the twenty-third day of the month following that in which such gasoline or special fuel was so used or sold, report the fact of such use or sale to the commissioner in such form as the commissioner may prescribe.

(2) Any person who shall buy gasoline other than aviation gasoline and who shall have paid the motor vehicle gasoline excise tax directly or indirectly through the amount of the tax being included in the price of the gasoline, or otherwise, who shall knowingly sell such gasoline to any person to be used for the purpose of producing or generating power for propelling aircraft, or who shall receive, store, or withdraw from storage such gasoline to be used for that purpose, shall, on or before the 23rd day of the month following that in which such gasoline was so sold, stored, or withdrawn from storage, report the fact of such sale, storage, or withdrawal from storage to the commissioner in such form as the commissioner may prescribe.

(3) Any person who shall buy aviation gasoline or special fuel for aircraft use and who shall have paid the excise taxes directly or indirectly through the amount of the tax being included in the price thereof, or otherwise, who shall not use it in motor vehicles or receive, sell, store, or withdraw

it from storage for the purpose of producing or generating power for propelling aircraft, shall be reimbursed and repaid the amount of the tax paid upon filing with the commissioner a signed claim in writing in such form and containing such information as the commissioner shall require and accompanied by the original invoice thereof. By signing any such claim which is false or fraudulent, the applicant shall be subject to the penalties provided in this section 296.25 for knowingly or willfully making a false claim. The claim shall set forth the total amount of the aviation gasoline or special fuel for aircraft use so purchased and used by the applicant, and shall state when and for what purpose it was used. When a claim contains an error in computation or preparation, the commissioner is authorized to adjust the claim in accordance with the evidence shown on the claim or other information available to the commissioner. The commissioner, on being satisfied that the claimant is entitled to payment, shall approve the claim and transmit it to the commissioner of finance. No repayment shall be made unless the claim and invoice shall be filed with the commissioner within one year from the date of the purchase. The postmark on the envelope in which the claim is mailed shall determine the date of filing.

Sec. 2. Minnesota Statutes 1988, section 296.18, subdivision 3, is amended to read:

Subd. 3. ~~[PENALTIES CIVIL PENALTY FOR FILING FALSE CLAIMS CLAIM.] Every person who shall make any false statement in any claim or invoice filed with the commissioner, or knowingly file with the commissioner any claim or invoice containing any false statement or collect or cause to be paid to the person or to another a refund without being entitled thereto, when acting pursuant to the provisions of subdivision 1 or 2, clause 3, shall forfeit the full amount of the claim and be guilty of a misdemeanor. Every a person who violates section 296.25, subdivision 1, paragraph (a) or (b), shall forfeit the full amount of the claim. In addition, a person who is convicted under the provisions of this subdivision shall section 296.25, subdivision 1, paragraph (a) or (b), for filing a false statement or claim shall, in addition to any criminal penalties imposed, be prohibited from filing with the commissioner any claim for refund upon gasoline purchased within six months after such conviction.~~

Sec. 3. Minnesota Statutes 1988, section 296.25, is amended to read:

296.25 ~~[VIOLATIONS, CRIMINAL PENALTIES.]~~

Subdivision 1. ~~[PENALTIES IMPOSED.] Any person who fails to comply with any provisions of sections 296.01 to 296.421, or who makes any false statement in any report, record, or sales ticket required by sections 296.12, 296.14, 296.17, subdivision 5, 296.18, subdivision 2, or 296.21, shall be guilty of a misdemeanor. A minimum fine of \$200 shall be imposed on a person who fails to obtain a license or trip permit required under section 296.17, subdivisions 10 and 17.~~

~~Prosecutions commenced under this section may be brought in the county in which the defendant resides or in Ramsey county.~~

~~The county attorney of any county in which the action is commenced, shall on request of the commissioner of revenue, prosecute violations of this chapter. Costs, fees, and expenses incurred by any county attorney in litigation in connection with the action may be paid from appropriations to the commissioner of revenue for the administration of this chapter. (a) A person who fails to comply with a provision of sections 296.01 to 296.421,~~

or who knowingly provides false information, including, but not limited to, false odometer readings, or who knowingly makes a false statement in a report, record, claim, or sales ticket required by sections 296.12; 296.14; 296.17, subdivisions 5, or 7 to 22; 296.18, subdivision 2; or 296.21, is guilty of a gross misdemeanor.

(b) A person who willfully attempts in any manner to evade or defeat any tax imposed by sections 296.01 to 296.421, including, but not limited to, making and subscribing any false statement in any report, record, claim, or sales ticket required by sections 296.12; 296.14; 296.17, subdivisions 5, or 7 to 22; 296.18, subdivision 2; and 296.21; or making a false claim for a refund under section 296.18, subdivision 4, is guilty of a felony.

(c) It is a misdemeanor for a person to operate, or cause to be operated, a licensed motor vehicle on the public highways of this state on special fuel on which the excise tax provided by this chapter has not been paid or the liability therefore assumed by another person licensed under this chapter. A person who uses gasoline, delivered into an on-farm bulk storage tank and on which no tax has been collected, for propelling a motor vehicle on the public highways of this state is also guilty of a misdemeanor.

(d) An officer or employee of the state of Minnesota charged with the enforcement of a provision of sections 296.01 to 296.421 who is employed by or who engages in business as a distributor or dealer in petroleum products is guilty of a misdemeanor.

(e) The authorization in this chapter for the collection of the excise taxes by persons other than the commissioner for and in behalf of the state of Minnesota establishes a fiduciary relationship, for the violation of which, in failure to make payment when due and payable, the person so authorized to collect these excise taxes shall be deemed guilty of a violation of section 609.54, and punished accordingly.

(f) A minimum fine of \$200 shall be imposed on a person who fails to obtain a license or trip permit required under section 296.17, subdivisions 10 and 17.

Subd. 2. [PROSECUTION OF VIOLATIONS.] ~~It is a misdemeanor for any person to operate, or cause to be operated, a licensed motor vehicle on the public highways of this state on special fuel on which the excise tax provided by this chapter has not been paid or the liability therefor assumed by another person licensed under this chapter. Prosecutions under this section may be brought in the county in which the defendant resides or in Ramsey county. On request of the commissioner of revenue, the county attorney of a county in which the action is commenced shall prosecute violations of this chapter. Costs, fees, and expenses incurred by any county attorney in litigation in connection with the action may be paid from appropriations to the commissioner of revenue for the administration of this chapter.~~

Sec. 4. [REPEALER.]

Minnesota Statutes 1988, sections 296.027; 296.16, subdivision 3; 296.17, subdivision 13; 296.18, subdivisions 3a and 7; and 296.24, are repealed.

Sec. 5. [EFFECTIVE DATES.]

Section 1 is effective for sales occurring on or after August 1, 1990.

Section 2 is effective for statements or claims filed on or after August

1, 1990.

Section 3 is effective for acts or violations occurring on or after August 1, 1990.

Section 4 is effective August 1, 1990.

ARTICLE 4

TAXPAYERS' BILL OF RIGHTS

Section 1. [270.0602] [BASIS FOR EVALUATION OF DEPARTMENT OF REVENUE EMPLOYEES.]

The department of revenue must not use tax enforcement results to impose individual revenue quotas with respect to employees or their immediate supervisors who are directly involved in assessment or collection activities. The department may, however, use individual performance with regard to number of cases completed and, in the case of collections employees, dollars collected, as factors in evaluating an employee and not be considered as failing to comply with this section.

Sec. 2. [270.0603] [DISCLOSURE OF RIGHTS OF TAXPAYERS.]

Subdivision 1. [IN GENERAL.] The commissioner of revenue shall, as soon as practicable, but not later than 180 days after the date of enactment of this act, prepare statements that set forth in simple and nontechnical terms:

(1) the rights and obligations of the department of revenue and the taxpayer during an audit;

(2) the procedures by which a taxpayer may appeal an adverse decision of the department, including administrative and judicial appeals;

(3) the procedures for filing refund claims and filing of taxpayer complaints; and

(4) the procedures that the department may use in enforcing the tax laws, including assessment, jeopardy assessment, levy and distraint, and the filing of liens.

Subd. 2. [TRANSMISSION TO LEGISLATURE.] The commissioner shall provide drafts of the statements required under subdivision 1 to the chairs of the house of representatives and senate tax committees for proposed revisions of the statements.

Subd. 3. [DISTRIBUTION.] The appropriate statement prepared in accordance with subdivisions 1 and 2 must be distributed by the commissioner to all taxpayers contacted with respect to the determination or collection of a tax, other than the providing of tax forms. Failure to receive the statement does not invalidate the determination or collection action.

Sec. 3. Minnesota Statutes 1988, section 270.07, is amended by adding a subdivision to read:

Subd. 6. [ABATEMENT OF PENALTY.] (a) A request for abatement of penalty under subdivision 1, under section 289A.14, subdivision 4, or under paragraph (c), must be filed with the commissioner within 60 days of the date the notice was mailed to the taxpayer's last known address, stating that a penalty has been imposed.

(b) If the commissioner issues an order denying a request for abatement

of penalty, the taxpayer may, except as limited under subdivision 1, file an administrative appeal as provided in section 289A.16 or appeal to tax court as provided in section 271.06.

If the commissioner does not issue an order on the abatement request within 60 days from the date the request is received, the taxpayer may appeal to tax court as provided in section 271.06.

(c) The commissioner shall abate any part of a penalty or additional tax charge under section 289A.026, subdivision 2, or 289A.027, subdivision 4, attributable to erroneous advice given to the taxpayer in writing by an employee of the department acting in an official capacity, if the advice:

(1) was reasonably relied on and was in response to a specific written request of the taxpayer; and

(2) was not the result of failure by the taxpayer to provide adequate or accurate information.

Sec. 4. Minnesota Statutes 1989 Supplement, section 270.10, subdivision 1a, is amended to read:

Subd. 1a. [NOTIFICATION TO TAXPAYER.] At the same time that notice of the assessment, determination, or order of the commissioner is given to a taxpayer, the taxpayer must be notified in writing of the right to appeal to the tax court, and if applicable, to the small claims division. *Except in the case of mathematical or clerical errors, the notice must contain a description of the basis for, including applicable law and other factors considered in the determination, and a listing of the amounts of tax due, interest, additions to tax, and penalties. Failure to provide all the required information does not invalidate the notice for purposes of satisfying statutory notice requirements if the notice contains sufficient information to advise the taxpayer that an assessment, order, or other determination has been made. The taxpayer may request further clarification within the time provided for appealing the determination.* In any notice of assessment, determination, or order dealing with property valuation or assessment for property tax purposes by the commissioner of revenue or a local unit of government, the taxpayer must be notified in writing that a taxpayer must appeal to the town or city board of equalization and to the county board of equalization before appealing to the small claims division of the tax court, except for those taxpayers whose original assessments are determined by the commissioner of revenue.

Sec. 5. [270.272] [PROCEDURES INVOLVING IN-PERSON TAXPAYER INTERVIEWS.]

Subdivision 1. [RECORDING OF INTERVIEWS.] (a) In connection with an interview with a taxpayer relating to the audit or collection of a tax, and on advance request of the taxpayer, an employee of the department of revenue shall allow the taxpayer to make an audio recording of the interview at the taxpayer's expense and with the taxpayer's equipment.

(b) An employee of the department may record an interview described in paragraph (a) if the taxpayer is informed of the recording before the interview and a transcript or copy of the recording is made available to the taxpayer on the taxpayer's request, provided the department is reimbursed by the taxpayer for the cost of transcribing or copying the recording.

Subd. 2. [SAFEGUARDS.] (a) Before or at the start of an initial interview, an employee of the department shall provide to the taxpayer in the case of an audit interview an explanation of the audit process and the taxpayer's rights under that process and, in the case of a collection interview, an explanation of the collection process and the taxpayer's rights under that process.

(b) If a taxpayer requests to consult with an attorney, accountant, agent, preparer, or any other person permitted to represent the taxpayer before the department at any time during an interview, except an interview initiated by an administrative subpoena, the interview must be suspended for no more than 30 days.

Subd. 3. [REPRESENTATIVES HOLDING POWER OF ATTORNEY.] An attorney, accountant, agent, preparer, or any other person permitted to represent the taxpayer before the department who has a written power of attorney executed by the taxpayer may represent the taxpayer in an interview described in subdivision 1. The taxpayer may be required to accompany the representative only if an administrative subpoena is issued. In this instance, with the consent of an immediate supervisor and after ten days' notice to the representative, the department employee may notify the taxpayer directly that the employee believes the representative is unreasonably delaying the examination or investigation process.

Subd. 4. [NOT TO APPLY TO CERTAIN INVESTIGATIONS.] This section does not apply to criminal investigations or investigations relating to the conduct of an employee of the department.

Sec. 6. [270.273] [TAXPAYER ASSISTANCE ORDERS; TAXPAYER'S RIGHTS ADVOCATE.]

Subdivision 1. [AUTHORITY TO ISSUE.] On application filed by a taxpayer with the department of revenue taxpayer's rights advocate, in the form, manner, and in the time prescribed by the commissioner, and after thorough investigation, the taxpayer's rights advocate may issue a taxpayer assistance order if, in the determination of the taxpayer's rights advocate, the manner in which the state tax laws are being administered is creating or will create an unjust and inequitable result for the taxpayer.

Subd. 2. [TERMS OF A TAXPAYER ASSISTANCE ORDER.] A taxpayer assistance order may require the department to release property of the taxpayer levied on, cease any action, or refrain from taking any action to enforce the state tax laws against the taxpayer, until the issue or issues giving rise to the order have been resolved.

Subd. 3. [AUTHORITY TO MODIFY OR RESCIND.] A taxpayer assistance order issued by the taxpayer's rights advocate under this section may be modified or rescinded by the commissioner.

Subd. 4. [SUSPENSION OF RUNNING OF PERIOD OF LIMITATION.] The running of the period of limitation with respect to an action described in subdivision 2 is suspended from the date of the taxpayer assistance order until the expiration date of the order or, if modified, the expiration date of the modified order or, if rescinded, the date of the rescission.

Subd. 5. [INDEPENDENT ACTION OF TAXPAYER'S RIGHTS ADVOCATE.] This section does not prevent the taxpayer's rights advocate from taking action in the absence of an application under subdivision 1.

Subd. 6. [TAXPAYER'S RIGHTS ADVOCATE.] For purposes of this

section, the term "taxpayer's rights advocate" includes a designee of the taxpayer's rights advocate. The taxpayer's rights advocate shall represent the interests of taxpayers who have grievances against the department in connection with an audit or collection activity, and shall report directly to the commissioner. A determination of the taxpayer's rights advocate under this section to issue or to not issue a taxpayer assistance order is final, and cannot be appealed to the tax court or any other court.

Sec. 7. [270.274] [REVIEW OF JEOPARDY ASSESSMENT AND LEVY PROCEDURES.]

Subdivision 1. [ADMINISTRATIVE REVIEW.] Within five days after a jeopardy assessment or collection is made to assess or collect a tax administered by the commissioner of revenue, the commissioner shall provide the taxpayer with a written statement of the information relied on in making the assessment or levy. Within 30 days after the written statement is provided or, if not provided, within 35 days after the assessment or levy, the taxpayer may request the commissioner to review the action taken. After a request for review, the commissioner shall determine whether the assessment or levy is reasonable and whether the amount assessed or demanded as a result of the action is appropriate under the circumstances.

Subd. 2. [JUDICIAL REVIEW.] A determination by the commissioner under subdivision 1 is appealable to the tax court in the manner provided by law, and the appeal must be expeditiously heard by the court. If the court determines that the making of the assessment or levy is unreasonable, or that the amount assessed or demanded is inappropriate, the court may order the commissioner to release the levy, abate the assessment, redetermine in whole or in part the amount assessed or demanded, or take other action. A determination by the court under this subdivision is final and may not be appealed by either party.

Subd. 3. [BURDEN OF PROOF.] In a proceeding under subdivision 2, the burden of proving that the assessment or collection of the tax was jeopardized by delay is on the commissioner. Regarding the issue of whether the amount assessed or demanded as a result of the action is appropriate, the commissioner shall provide a written statement explaining the basis for determining the amount, and the burden is on the taxpayer to show that the statement is incorrect or invalid.

Sec. 8. [270.275] [CIVIL DAMAGES FOR FAILURE TO RELEASE LIEN.]

Subdivision 1. [IN GENERAL.] (a) A taxpayer may bring a civil action for damages against the commissioner in district court when an employee or the department has knowingly or negligently:

(1) failed to release a lien as required by section 270.69, subdivision 11; or

(2) failed to release a lien within 30 days after satisfaction of the liability on which the lien is based.

(b) An action under paragraph (a), clause (2), must be preceded by 30 days written notice by the taxpayer to the commissioner and the taxpayer's rights advocate that the lien has not been released. An action under paragraph (a) must be commenced within two years after the date the right of action accrued.

Subd. 2. [DAMAGES.] On a finding of liability on the part of the

defendant in an action brought under subdivision 1, the defendant is liable to the plaintiff in an amount equal to the sum of actual, direct economic damages sustained by the plaintiff due to the actions of the defendant, plus the costs of the action. Damages must be paid in accordance with section 3.736, subdivision 7.

Subd. 3. [MITIGATION OF DAMAGES.] Damages awarded must be reduced by the amount of the damages that could reasonably have been mitigated by the plaintiff.

Sec. 9. [270.276] [CIVIL DAMAGES FOR CERTAIN UNAUTHORIZED COLLECTION ACTIONS.]

Subdivision 1. [IN GENERAL.] If in connection with the collection of previously determined delinquent taxes from a taxpayer of a state tax administered by the commissioner of revenue, an employee of the department recklessly or intentionally disregards a state tax law or rule, the taxpayer may bring a civil action for damages against the commissioner in district court within two years after the date the right of action accrues.

Subd. 2. [DAMAGES.] On a finding of liability on the part of the defendant in an action brought under subdivision 1, the defendant is liable to the plaintiff in an amount equal to the lesser of \$100,000, or the sum of (1) actual, direct economic damages sustained by the plaintiff as a proximate result of the reckless or intentional actions of the employee and (2) the costs of the action. Damages must be paid in accordance with section 3.736, subdivision 7.

Subd. 3. [LIMITATIONS.] A judgment for damages must not be awarded under subdivision 2 unless the court determines that the plaintiff has exhausted the administrative remedies available to the plaintiff within the department. Damages awarded must be reduced by the amount of the damages that could reasonably have been mitigated by the plaintiff.

Subd. 4. [PENALTIES FOR PROCEDURES INSTITUTED PRIMARILY FOR DELAY.] When it appears to the district court that:

(1) proceedings before it under this section have been instituted or maintained by the taxpayer primarily for delay;

(2) the taxpayer's position in such proceeding is frivolous or groundless; or

(3) the taxpayer unreasonably failed to pursue available administrative remedies,

the district court, in its decision, may require the taxpayer to pay to the department of revenue a penalty not in excess of \$25,000. The penalty may be assessed and, upon notice and demand, may be collected in the same manner as a tax.

Sec. 10. Minnesota Statutes 1989 Supplement, section 270.69, subdivision 11, is amended to read:

Subd. 11. [ERRONEOUS LIENS.] After the filing of a notice of lien under this section on the property or rights to property of a person, the person may appeal to the commissioner, in the form and at the time prescribed by the commissioner, alleging an error in the filing of the lien and requesting its release. If the commissioner of revenue determines that the filing of the notice of any lien was erroneous, within 14 days after the

determination, the commissioner must issue a certificate of release of the lien. The certificate must include a statement that the filing of the lien was erroneous. In the event that the ~~claim~~ *lien is erroneous and is not released within the 14-day period*, reasonable attorney fees shall be paid. *Damages must be paid in accordance with section 3.736, subdivision 7.*

Sec. 11. Minnesota Statutes 1988, section 270.70, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY OF COMMISSIONER.] If any tax payable to the commissioner of revenue or to the department of revenue is not paid when due, such tax may be collected by the commissioner of revenue within five years after the date of assessment of the tax, or if the tax judgment has been filed, within the statutory period of enforcement of a valid tax judgment, by a levy upon all property and rights to property, including any property in the possession of law enforcement officials, of the person liable for the payment or collection of such tax (except that which is exempt from execution pursuant to section 550.37 and amounts received under *United States Code, title 29, chapter 19, as amended through December 31, 1989*) or property on which there is a lien provided in section 270.69. For this purpose, the term "tax" shall include any penalty, interest and costs properly payable. The term "levy" includes the power of distraint and seizure by any means.

Sec. 12. Minnesota Statutes 1988, section 270.70, subdivision 2, is amended to read:

Subd. 2. [NOTICE AND DEMAND; *COLLECTION BY LEVY; JEOPARDY COLLECTION.*] Before a levy is made, notice and demand for payment of the amount due ~~shall~~ *must* be given to the person liable for the payment or collection of the tax at least ~~ten~~ *30* days prior to the levy. If the commissioner has reason to believe that collection of the tax is in jeopardy, notice and demand for immediate payment of the tax may be made by the commissioner. If the tax is not paid, the commissioner may proceed to collect by levy without regard to the ~~ten day~~ period provided herein. *The notice required under this subdivision must be sent to the taxpayer's last known address and must include a brief statement that sets forth in simple and nontechnical terms:*

(1) the administrative appeals available to the taxpayer with respect to the levy and sale; and

(2) the alternatives available to the taxpayer that can prevent a levy, including installment payment agreements under section 270.67, subdivision 2.

Sec. 13. Minnesota Statutes 1988, section 270.70, subdivision 4, is amended to read:

Subd. 4. [STAY OF SALE.] (a) Where a jeopardy assessment or any other assessment has been made by the commissioner, the property seized for collection of the tax shall not be sold until the time has expired for filing an appeal of the assessment with the tax court pursuant to chapter 271. If an appeal has been filed, no sale shall be made unless the taxes remain unpaid for a period of more than 30 days after final determination of the appeal by the tax court or by the appropriate judicial forum.

(b) Notwithstanding clause (a), seized property may be sold if

(i) the taxpayer consents in writing to the sale, or

(ii) the commissioner determines that the property is perishable or may become greatly reduced in price or value by keeping, or that such property cannot be kept without great expense.

The tax court has jurisdiction to review a determination made under clause (b)(ii). Review is commenced by motion of the commissioner or the taxpayer. The order of the court in response to the motion is reviewable in the same manner as any other decision of the tax court.

Sec. 14. Minnesota Statutes 1988, section 270.70, subdivision 8, is amended to read:

Subd. 8. [SURRENDER OF PROPERTY SUBJECT TO LEVY.] Any person who fails or refuses to surrender without reasonable cause any property or rights to property subject to levy, upon demand by the commissioner, shall be liable personally to the state of Minnesota in an amount equal to the value of the property or rights not so surrendered, but not exceeding the amount of taxes for the collection of which such levy has been made. Any amount recovered under this subdivision shall be credited against the tax liability for the collection of which such levy was made. *A financial institution need not surrender funds on deposit until ten days after service of the levy.*

Sec. 15. Minnesota Statutes 1988, section 270.70, is amended by adding a subdivision to read:

Subd. 17. [UNECONOMICAL LEVY.] *No levy may be made on property if the amount of the expenses that the commissioner estimates would be incurred by the department with respect to the levy and sale of the property exceeds the fair market value of the property at the anticipated time of levy.*

Sec. 16. Minnesota Statutes 1988, section 270.70, is amended by adding a subdivision to read:

Subd. 18. [LEVY ON APPEARANCE DATE OF SUBPOENA.] *No levy may be made on the property of a person on the day on which the person, or an officer or employee of the person, is required to appear in response to a subpoena issued by the commissioner to collect unpaid taxes, unless the commissioner determines that the collection of the tax is in jeopardy.*

Sec. 17. Minnesota Statutes 1988, section 270.701, is amended by adding a subdivision to read:

Subd. 6. [RIGHT TO REQUEST SALE OF SEIZED PROPERTY WITHIN 60 DAYS.] *The owner of property seized by levy may request that the commissioner offer to sell the property within 60 days after the request, or within a longer period requested by the owner. The request must be complied with unless the commissioner determines and notifies the owner within that period that compliance is not in the best interests of the state of Minnesota. A determination by the commissioner not to comply with the request is appealable to the tax court in the manner provided by law.*

Sec. 18. Minnesota Statutes 1988, section 270.709, subdivision 1, is amended to read:

Subdivision 1. [RELEASE OF LEVY.] *It shall be lawful for the commissioner to release the levy upon all or part of the property or rights to property levied upon if the commissioner determines that the release will facilitate the collection of the liability, but the release shall not operate to*

prevent any subsequent levy. *The commissioner shall release a levy on all or part of the property or rights to property levied on and shall promptly notify the person on whom the levy was made that the levy has been released if: (1) the liability for which the levy was made is satisfied or has become unenforceable by lapse of time; (2) release of the levy will facilitate collection of the liability; (3) the taxpayer has entered into an installment payment agreement under section 270.67, subdivision 2, unless the agreement provides otherwise, or unless release of the levy will jeopardize the status of the department as a secured creditor; or (4) the fair market value of the property exceeds the liability, and release of the levy on a part of the property can be made without hindering collection. In the case of tangible personal property essential in carrying on the trade or business of the taxpayer, the commissioner shall provide for an expedited determination under this subdivision. A release of levy under this subdivision does not prevent a subsequent levy on the property released.*

Sec. 19. Minnesota Statutes 1988, section 271.12, is amended to read:
271.12 [WHEN ORDER EFFECTIVE.]

No order for refundment by the commissioner of revenue, the appropriate unit of government, or the tax court shall take effect until the time for appeal therefrom or review thereof by all parties entitled thereto has expired. Otherwise every order of the commissioner, the appropriate unit of government, or the tax court shall take effect immediately upon the filing thereof, and no appeal therefrom or review thereof shall stay the execution thereof or extend the time for payment of any tax or other obligation unless otherwise expressly provided by law; provided, that in case an order which has been acted upon, in whole or in part, shall thereafter be set aside or modified upon appeal, the determination upon appeal or review shall supersede the order appealed from and be binding upon all parties affected thereby, and such adjustments as may be necessary to give effect thereto shall be made accordingly; *and provided further, the tax court may enjoin enforcement of the order of the commissioner being appealed.* If it be finally determined upon such appeal or review that any person is entitled to refundment of any amount which has been paid for a tax or other obligation, such amount, unless otherwise provided by law, shall be paid to the person by the state treasurer, or other proper officer, out of funds derived from taxes of the same kind, if available for the purpose, or out of other available funds, if any, with interest at the rate specified in section 270.76 from the date of payment of the tax, unless a different rate of interest is otherwise provided by law, in which case such other rate shall apply, upon certification by the commissioner of revenue, the appropriate unit of government, the tax court or the supreme court.

If, within 120 days after a decision of the tax court becomes final, the commissioner does not refund the overpayment determined by the court, together with interest, on motion by the taxpayer, the tax court shall have jurisdiction to order the refund of the overpayment and interest, and to award reasonable litigation costs for bringing the motion. If any tax, assessment, or other obligation be increased upon such appeal or review, the increase shall be added to the original amount, and may be enforced and collected therewith.

Sec. 20. Minnesota Statutes 1988, section 271.19, is amended to read:
271.19 [COSTS AND DISBURSEMENTS.]

Upon the determination of any appeal under this chapter before the tax court, or of any review hereunder by the supreme court, the costs and disbursements may be taxed and allowed in favor of the prevailing party and against the losing party as in civil actions. In any case where a person liable for a tax or other obligation has lost an appeal or review instituted by the person, and the tax court or court shall determine that the person instituted the same merely for the purposes of delay, or that the taxpayer's position in the proceedings is frivolous, additional costs, commensurate with the expense incurred and services performed by the agencies of the state in connection with the appeal, but not exceeding \$5,000 in any case, may be allowed against the taxpayer, in the discretion of the tax court or court. Costs and disbursements allowed against any such person shall be added to the tax or other obligation determined to be due, and shall be payable therewith. *To the extent described in section 3.761, where an award of costs and attorney fees is authorized under section 3.762, the costs and fees shall be allowed against the state, including expenses incurred by the taxpayer to administratively protest or appeal to the department of revenue the order, decision, or report of the commissioner that is the subject of the tax court proceedings.* Costs and disbursements allowed against the state or other public agencies shall be paid out of funds received from taxes or other obligations of the kind involved in the proceeding, or other funds of the agency concerned appropriated and available therefor. Witnesses in proceedings under this chapter shall receive like fees as in the district court, to be paid in the first instance by the parties by whom the witnesses were called, and to be taxed and allowed as herein provided.

Sec. 21. Minnesota Statutes, section 289A.11, as added in article 1, section 23, is amended by adding a subdivision to read:

Subd. 9. [PETITION IN TAX COURT; REFUND OF INTEREST.] Notwithstanding any other law, within one year after a decision of the tax court upholding an assessment of the commissioner of revenue becomes final, if the taxpayer has paid the assessment in full, plus interest calculated by the commissioner, the taxpayer may petition the tax court to reopen the case solely for a determination that the interest paid exceeds the interest legally due, and if so, the amount of the overpayment. A determination of overpayment of interest under this subdivision is a determination of overpayment of tax under section 271.12, and is reviewable in the same manner as any other decision of the tax court.

Sec. 22. [EFFECTIVE DATES.]

Section 1 is effective for evaluations occurring on or after August 1, 1990.

Section 2 is effective the day following final enactment.

Sections 11, 15, and 16 are effective August 1, 1990.

Section 3 is effective for advice given on or after August 1, 1990.

Section 4 is effective for notices of assessment issued on or after August 1, 1990.

Section 5 is effective for interviews occurring on or after August 1, 1990.

Section 6 is effective for taxpayer assistance applications filed on or after August 1, 1990.

Section 7 is effective for jeopardy assessments and levies made on or after August 1, 1990.

Sections 8 and 9 are effective for causes of action arising on or after August 1, 1990.

Section 10 is effective for liens filed on or after August 1, 1990.

Sections 12, 14, and 18 are effective for levies issued on or after August 1, 1990.

Sections 13 and 17 are effective for property seized on or after August 1, 1990.

Sections 19 and 20 are effective for tax court appeals filed on or after August 1, 1990.

Section 21 is effective for interest payments made on or after August 1, 1990.

ARTICLE 5

SALES AND USE, MOTOR VEHICLE EXCISE, AND PETROLEUM PRODUCTS TAXES

Section 1. Minnesota Statutes 1989 Supplement, section 168A.10, subdivision 1, is amended to read:

Subdivision 1. If an owner transfers interest in a vehicle other than by the creation of a security interest, the owner shall at the time of the delivery of the vehicle execute an assignment and warranty of title to the transferee *and shall state the actual selling price* in the space provided therefor on the certificate. With respect to motor vehicles subject to the provisions of section 325E.15, the transferor shall also, in the space provided therefor on the certificate, state the true cumulative mileage registered on the odometer or that the actual mileage is unknown if the odometer reading is known by the transferor to be different from the true mileage. The transferor shall cause the certificate and assignment to be delivered to the transferee immediately.

Sec. 2. Minnesota Statutes 1988, section 168A.30, subdivision 1, is amended to read:

Subdivision 1. A person who with fraudulent intent uses a false or fictitious name or address, *or makes a false statement as to selling price*, or makes a material false statement, or fails to disclose a security interest, or conceals any other material fact, in an application for a certificate of title or submits a false, forged, or fictitious document in support of an application for a certificate of title, shall be guilty of a felony and may be sentenced for a term of not more than four years, or to payment of a fine of not more than \$10,000, or both.

Sec. 3. Minnesota Statutes 1988, section 296.06, subdivision 2, is amended to read:

Subd. 2. [REQUIREMENTS FOR ISSUANCE.] A distributor's license shall be issued to any responsible person qualifying as a distributor who makes application therefor, and who shall pay to the commissioner at the time thereof and annually thereafter a license fee of \$10, and who shall further comply with the following conditions:

(1) A written application shall be made in a manner approved by the

commissioner, who shall require the applicant or licensee to deposit with the state treasurer securities of the United States government or the state of Minnesota or to execute and file a bond, with a corporate surety approved by the commissioner, to the state of Minnesota in an amount to be determined by the commissioner and in a form to be fixed by the commissioner and approved by the attorney general, and which shall be conditioned for the payment when due of all excise taxes, inspection fees, penalties, and accrued interest arising in the ordinary course of business or by reason of any delinquent money which may be due the state of Minnesota; the bond shall cover all places of business within the state where petroleum products are received by the licensee; and the applicant or licensee shall designate and maintain an agent in this state upon whom service may be had for all purposes of this section.

(2) An initial applicant for a distributor's license shall furnish a bond in a minimum sum of \$3,000 for the first year;

(3) The commissioner, on reaching the opinion that the bond given by a licensee is inadequate in amount to fully protect the state, shall require an additional bond in such amount as the commissioner deems sufficient;

(4) A licensee who desires to be exempt from depositing securities or furnishing such bond, as hereinbefore provided shall furnish an itemized financial statement showing the assets and the liabilities of the applicant and if it shall appear to the commissioner, from the financial statement or otherwise, that the applicant is financially responsible, then the commissioner may exempt such applicant from depositing such securities or furnishing such bond until the commissioner otherwise orders.

~~(5) The premium on any bond required under clauses (1) and (2), and on any additional bond required under clause (3), shall be paid by the commissioner out of a bond premium fund required to be set up from an appropriation by the legislature from whatever funds are available. All of said bonds required during each license period shall be purchased by the commissioner of administration from the lowest responsible bidder after advertising for competitive bids in the manner prescribed by Laws 1939, chapter 431, article II, as amended. The commissioner of administration shall call for bids within a reasonable period prior to the commencement of license period.~~

~~(6) Each license period shall be for one year ending each June 30.~~

~~(7) (6) Upon application to the commissioner and compliance by the applicant with the provisions of this subdivision, the commissioner also shall issue a distributor's license to (a) any person engaged in this state in the bulk storage of petroleum products and the distribution thereof by tank car or tank truck or both, and (b) any person holding an unrevoked license as a distributor since January 1, 1947, and (c) any person holding a license and performing a function under the motor fuel tax law of an adjoining state equivalent to that of a distributor under this act, who desires to ship or deliver petroleum products from that state to persons in this state not licensed as distributors in this state and who agrees to assume with respect to all petroleum products so shipped or delivered the liabilities of a distributor receiving petroleum products in this state, provided, however, that any such license shall be issued only for the purpose of permitting such person to receive in this state the petroleum products so shipped or delivered. Except as herein provided, all persons licensed as distributors under this clause shall have the same rights and privileges and be subject to the~~

same duties, requirements and penalties as other licensed distributors.

Sec. 4. Minnesota Statutes Second 1989 Supplement, section 297A.01, subdivision 3, is amended to read:

Subd. 3. A "sale" and a "purchase" includes, but is not limited to, each of the following transactions:

(a) Any transfer of title or possession, or both, of tangible personal property, whether absolutely or conditionally, and the leasing of or the granting of a license to use or consume tangible personal property other than manufactured homes used for residential purposes for a continuous period of 30 days or more, for a consideration in money or by exchange or barter;

(b) The production, fabrication, printing or processing of tangible personal property for a consideration for consumers who furnish either directly or indirectly the materials used in the production, fabrication, printing, or processing;

(c) The furnishing, preparing, or serving for a consideration of food, meals or drinks; ~~not including. "Sale" does not include~~

(1) meals or drinks served to patients, inmates, or persons residing at hospitals, sanitariums, nursing homes, senior citizens homes, and correctional, detention, and detoxification facilities,

(2) meals or drinks purchased for and served exclusively to individuals who are 60 years of age or over and their spouses or to the handicapped and their spouses by governmental agencies, nonprofit organizations, agencies, or churches or pursuant to any program funded in whole or part through 42 USCA sections 3001 through 3045, wherever delivered, prepared or served,

(3) meals and lunches served at public and private schools, universities or colleges; ~~"Sales" also includes, or~~

(4) meals furnished by employers to employees at less than fair market value; ~~except meals furnished to employees of restaurants, resorts, and hotels; and except meals furnished at no charge to employees of hospitals, nursing homes, boarding care homes, sanitariums, group homes, and correctional, detention, and detoxification facilities; who are required to eat with the patients, residents, or inmates residing in them.~~ Notwithstanding section 297A.25, subdivision 2, taxable food or meals include, but are not limited to, the following:

(i) heated food or drinks;

(ii) sandwiches prepared by the retailer;

(iii) single sales of prepackaged ice cream or ice milk novelties prepared by the retailer;

(iv) hand-prepared or dispensed ice cream or ice milk products including cones, sundaes, and snow cones;

(v) soft drinks and other beverages prepared or served by the retailer;

(vi) gum;

(vii) ice;

(viii) all food sold in vending machines;

(ix) party trays prepared by the retailers; and

(x) all meals and single servings of packaged snack food, single cans or bottles of pop, sold in restaurants and bars;

(d) The granting of the privilege of admission to places of amusement, recreational areas, or athletic events *except a national championship football game sponsored by the national football league* and the privilege of having access to and the use of amusement devices, tanning facilities, reducing salons, steam baths, turkish baths, massage parlors, health clubs, and spas or athletic facilities;

(e) The furnishing for a consideration of lodging and related services by a hotel, rooming house, tourist court, motel or trailer camp and of the granting of any similar license to use real property other than the renting or leasing thereof for a continuous period of 30 days or more;

(f) The furnishing for a consideration of electricity, gas, water, or steam for use or consumption within this state, or local exchange telephone service, intrastate toll service, and interstate toll service, if that service originates from and is charged to a telephone located in this state; the tax imposed on amounts paid for telephone services is the liability of and shall be paid by the person paying for the services. The furnishing for a consideration of access to telephone services by a hotel to its guests is a sale under this clause. Sales by municipal corporations in a proprietary capacity are included in the provisions of this clause. The furnishing of water and sewer services for residential use shall not be considered a sale;

(g) The furnishing for a consideration of cable television services, including charges for basic monthly service, charges for monthly premium service, and charges for any other similar television services;

(h) Notwithstanding subdivision 4, and section 297A.25, subdivision 9, the sales of horses including claiming sales and fees paid for breeding a stallion to a mare. This clause applies to sales and fees with respect to a horse to be used for racing whose birth has been recorded by the Jockey Club or the United States Trotting Association or the American Quarter Horse Association;

(i) The furnishing for a consideration of parking services, whether on a contractual, hourly, or other periodic basis, except for parking at a meter;

(j) The furnishing for a consideration of services listed in this paragraph:

(i) laundry and dry cleaning services including cleaning, pressing, repairing, altering, and storing clothes, linen services and supply, cleaning and blocking hats, and carpet, drapery, upholstery, and industrial cleaning. Laundry and dry cleaning services do not include services provided by coin operated facilities operated by the customer;

(ii) motor vehicle washing, waxing, and cleaning services, including services provided by coin-operated facilities operated by the customer, and rustproofing, undercoating, and towing of motor vehicles;

(iii) building and residential cleaning, maintenance, and disinfecting and exterminating services;

(iv) services provided by detective agencies, security services, burglar, fire alarm, and armored car services not including services performed within the jurisdiction they serve by off-duty licensed peace officers as defined in section 626.84, subdivision 1;

(v) pet grooming services;

(vi) lawn care, fertilizing, mowing, spraying and sprigging services; garden planting and maintenance; arborist services; tree, bush, and shrub planting, pruning, bracing, spraying, and surgery; and tree trimming for public utility lines.

The services listed in this paragraph are taxable under section 297A.02 if the service is performed wholly within Minnesota or if the service is performed partly within and partly without Minnesota and the greater proportion of the service is performed in Minnesota, based on the cost of performance. In applying the provisions of this chapter, the terms "tangible personal property" and "sales at retail" include taxable services and the provision of taxable services, unless specifically provided otherwise. Services performed by an employee for an employer are not taxable under this paragraph. Services performed by a partnership or association for another partnership or association are not taxable under this paragraph if one of the entities owns or controls more than 80 percent of the voting power of the equity interest in the other entity. Services performed between members of an affiliated group of corporations are not taxable. For purposes of this section, "affiliated group of corporations" includes those entities that would be classified as a member of an affiliated group under United States Code, title 26, section 1504, and who are eligible to file a consolidated tax return for federal income tax purposes; and

(vii) solid waste collection and disposal services as described in section 297A.45;

(k) A "sale" and a "purchase" includes the transfer of computer software, meaning information and directions that dictate the function performed by data processing equipment. A "sale" and a "purchase" does not include the design, development, writing, translation, fabrication, lease, or transfer for a consideration of title or possession of a custom computer program; and

(l) The granting of membership in a club, association, or other organization if:

(1) the club, association, or other organization makes available for the use of its members sports and athletic facilities (without regard to whether a separate charge is assessed for use of the facilities); and

(2) use of the sports and athletic facilities is not made available to the general public on the same basis as it is made available to members.

Granting of membership includes both one-time initiation fees and periodic membership dues. Sports and athletic facilities include golf courses, tennis, racquetball, handball and squash courts, basketball and volleyball facilities, running tracks, exercise equipment, swimming pools, and other similar athletic or sports facilities. The provisions of this paragraph do not apply to camps or other recreation facilities owned and operated by an exempt organization under section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1986, for educational and social activities for young people primarily age 18 and under.

Sec. 5. Minnesota Statutes 1988, section 297A.01, subdivision 8, is amended to read:

Subd. 8. "Sales price" means the total consideration valued in money, for a retail sale whether paid in money or otherwise, excluding therefrom any amount allowed as credit for tangible personal property taken in trade for resale, without deduction for the cost of the property sold, cost of materials used, labor or service cost, interest, or discount allowed after the sale is consummated, the cost of transportation incurred prior to the time of sale, any amount for which credit is given to the purchaser by the seller, or any other expense whatsoever. A deduction may be made for charges for services that are part of the sale, including charges up to 15 percent in lieu of tips, if the consideration for such charges is separately stated, but no deduction shall be allowed for charges for services that are part of a sale as defined in subdivision 3, clauses (b) to ~~(f)~~ (l). A deduction may also be made for interest, financing, or carrying charges, charges for labor or services used in installing or applying the property sold or transportation charges if the transportation occurs after the retail sale of the property only if the consideration for such charges is separately stated. There shall not be included in "sales price" cash discounts allowed and taken on sales or the amount refunded either in cash or in credit for property returned by purchasers.

Sec. 6. Minnesota Statutes 1988, section 297A.14, subdivision 1, is amended to read:

Subdivision 1. [IMPOSITION.] For the privilege of using, storing or consuming in Minnesota tangible personal property, ~~tickets or admissions to places of amusement and athletic events, electricity, gas, and local exchange telephone service or taxable services~~ purchased for use, storage or consumption in this state, a use tax is imposed on every person in this state at the rate of tax imposed under section 297A.02 on the sales price of sales at retail of the items, unless the tax imposed by section 297A.02 was paid on the sales price.

Sec. 7. Minnesota Statutes 1988, section 297A.25, subdivision 31, is amended to read:

Subd. 31. [SALES BY GOVERNMENT TAXABLE.] This section shall not be construed to exempt the gross receipts from sales of tangible personal property or taxable services purchased from the United States or any of its agencies or instrumentalities, or the state of Minnesota, its agencies, instrumentalities or political subdivisions by ultimate consumers, and such purchases are hereby declared to be subject to tax, except as they may be otherwise exempted.

Sec. 8. Minnesota Statutes 1988, section 297A.255, is amended by adding a subdivision to read:

Subd. 5. There is specifically exempted from the provisions of this chapter the purchase or use of aircraft registered in the state of Minnesota by a corporation or partnership when the transfer constitutes a transfer within the meaning of section 351 or 721 of the Internal Revenue Code of 1986, as amended through December 31, 1989.

Sec. 9. Minnesota Statutes 1988, section 297B.035, subdivision 1, is amended to read:

Subdivision 1. Except as provided in this section, motor vehicles purchased for resale in the ordinary course of business or used by any motor vehicle dealer, as defined in section 168.011, subdivision 21, *who is licensed under section 168.27, subdivision 2 or 3, which bear dealer plates as*

authorized by section 168.27, subdivision 16, shall be exempt from the provisions of this chapter.

Sec. 10. Minnesota Statutes Second 1989 Supplement, section 469.190, subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZATION.] Notwithstanding section 477A.016 or any other law, a statutory or home rule charter city may by ordinance, and a town may by the affirmative vote of the electors at the annual town meeting, or at a special town meeting, impose a tax of up to ~~six~~ *three* percent on the gross receipts from the furnishing for consideration of lodging at a hotel, motel, rooming house, tourist court, or resort, other than the renting or leasing of it for a continuous period of 30 days or more. A statutory or home rule charter city may by ordinance impose the tax authorized under this subdivision on the camping site receipts of a municipal campground.

Sec. 11. Minnesota Statutes Second 1989 Supplement, section 469.190, subdivision 2, is amended to read:

Subd. 2. [EXISTING TAXES.] No statutory or home rule charter city or town may impose a tax under this section upon transient lodging that, when combined with any tax authorized by special law or enacted prior to 1972, exceeds a rate of ~~six~~ *three* percent.

Sec. 12. Minnesota Statutes Second 1989 Supplement, section 469.190, subdivision 3, is amended to read:

Subd. 3. [DISPOSITION OF PROCEEDS.] Ninety-five percent of the gross proceeds from ~~the first three percent~~ of any tax imposed under subdivision 1 shall be used by the statutory or home rule charter city or town to fund a local convention or tourism bureau for the purpose of marketing and promoting the city or town as a tourist or convention center. This subdivision shall not apply to any statutory or home rule charter city or town that has a lodging tax authorized by special law or enacted prior to 1972 at the time of enactment of this section.

Sec. 13. [EFFECTIVE DATE.]

Sections 1 to 9 are effective July 1, 1990. Sections 10 to 12 are effective February 1, 1990. Any tax increase adopted after February 1, 1990, under Minnesota Statutes, section 469.190, that results in a tax rate that exceeds three percent is ineffective the day following final enactment of this act.

ARTICLE 6

INCOME AND FRANCHISE TAXES

Section 1. Minnesota Statutes Second 1989 Supplement, section 10A.31, subdivision 5, is amended to read:

Subd. 5. In each calendar year the money in the general account shall be allocated to candidates as follows:

- (1) 21 percent for the offices of governor and lieutenant governor together;
- (2) 3.6 percent for the office of attorney general;
- (3) 1.8 percent each for the offices of secretary of state, state auditor, and state treasurer;
- (4) In each calendar year during the period in which state senators serve a four-year term, 23-1/3 percent for the office of state senator and 46-2/3

percent for the office of state representative;

(5) In each calendar year during the period in which state senators serve a two-year term, 35 percent each for the offices of state senator and state representative.

In each calendar year the money in each party account shall be allocated as follows:

- (1) 14 percent for the offices of governor and lieutenant governor together;
- (2) 2.4 percent for the office of attorney general;
- (3) 1.2 percent each for the offices of secretary of state, state auditor, and state treasurer;

(4) In each calendar year during the period in which state senators serve a four-year term, 23-1/3 percent for the office of state senator and 46-2/3 percent for the office of state representative;

(5) In each calendar year during the period in which state senators serve a two-year term, 35 percent each for the offices of state senator and state representative;

(6) ten percent for the state committee of a political party; money allocated to each state committee under this clause must be deposited in a separate account and must be spent for only those items enumerated in section 10A.275; money allocated to a state committee under this clause must be paid to the committee by the state treasurer as notified by the state ethical practices board as it is received in the account on a monthly basis, with payment on the 15th day of the calendar month following the month in which the tax returns were received processed by the department of revenue, provided that these distributions would be equal to 90 percent of the amount of money indicated in the department of revenue's weekly unedited reports of income tax returns for that and property tax refund returns processed in the month, as notified by the department of revenue to the state ethical practices board. The amounts paid to each state committee are subject to final annual biennial adjustment and settlement as indicated according to the at the time of each certification by required of the commissioner of revenue under subdivision 6 subdivisions 7 and 10. If the total amount of total payments received before September 15 by a state committee for the period reflected on a certification by the department of revenue is greater than different from the amount certified by the commissioner of revenue on September 15, the total amount of payments distributed between September 1 and December 31 that should have been received during the period according to the certification, each subsequent monthly payment must be reduced by increased or decreased to the fullest extent possible until the amount of the overpayment is recovered or the underpayment is distributed.

To assure that moneys will be returned to the counties from which they were collected, and to assure that the distribution of those moneys rationally relates to the support for particular parties or for particular candidates within legislative districts, money from the party accounts for legislative candidates shall be distributed as follows:

Each candidate for the state senate and state house of representatives whose name is to appear on the ballot in the general election shall receive money from the candidate's party account set aside for candidates of the state senate or state house of representatives, whichever applies, according

to the following formula:

For each county within the candidate's district the candidate's share of the dollars allocated in that county to the candidate's party account and set aside for that office shall be:

(a) The sum of the votes cast in the last general election in that part of the county in the candidate's district for all candidates of that candidate's party (i) whose names appeared on the ballot in each voting precinct of the state and (ii) for the state senate and state house of representatives, divided by

(b) The sum of the votes cast in that county in the last general election for all candidates of that candidate's party (i) whose names appeared on the ballot in each voting precinct in the state and (ii) for the state senate and state house of representatives, multiplied by

(c) The amount in the candidate's party account allocated in that county and set aside for the candidates for the office for which the candidate is running.

The sum of all the county shares calculated in the formula above is the candidate's share of the candidate's party account.

In a year in which an election for the state senate occurs, with respect to votes for candidates for the state senate only, "last general election" means the last general election in which an election for the state senate occurred.

For any party under whose name no candidate's name appeared on the ballot in each voting precinct in the state in the last general election, amounts in the party's account shall be allocated based on (a) the number of people voting in the last general election in that part of the county in the candidate's district, divided by (b) the number of the people voting in that county in the last general election, multiplied by (c) the amount in the candidate's party account allocated in that county and set aside for the candidates for the office for which the candidate is running.

In a year in which the first election after a legislative reapportionment is held, "the candidate's district" means the newly drawn district, and voting data from the last general election will be applied to the area encompassing the newly drawn district notwithstanding that the area was in a different district in the last general election.

If in a district there was no candidate of a party for the state senate or state house of representatives in the last general election, or if a candidate for the state senate or state house of representatives was unopposed, the vote for that office for that party shall be the average vote of all the remaining candidates of that party in each county of that district whose votes are included in the sums in clauses (a) and (b). The average vote shall be added to the sums in clauses (a) and (b) before the calculation is made for all districts in the county.

Money from a party account not distributed to candidates for state senator and representative in any election year shall be returned to the general fund of the state. Money from a party account not distributed to candidates for other offices in an election year shall be returned to the party account for reallocation to candidates as provided in clauses (1) to (6) in the following year. Money from the general account refused by any candidate shall be distributed to all other qualifying candidates in proportion to their shares

as provided in this subdivision.

Sec. 2. Minnesota Statutes Second 1989 Supplement, section 290.17, subdivision 2, is amended to read:

Subd. 2. [INCOME NOT DERIVED FROM CONDUCT OF A TRADE OR BUSINESS.] The income of a taxpayer subject to the allocation rules that is not derived from the conduct of a trade or business must be assigned in accordance with paragraphs (a) to (f):

(a)(1) Subject to paragraphs (a)(2) and (a)(3), income from labor or personal or professional services is assigned to this state if, and to the extent that, the labor or services are performed within it; all other income from such sources is treated as income from sources without this state.

Severance pay shall be considered income from labor or personal or professional services.

(2) In the case of an individual who is a nonresident of Minnesota and who is an athlete or entertainer, income from compensation for labor or personal services performed within this state shall be determined in the following manner:

(i) The amount of income to be assigned to Minnesota for an individual who is a nonresident salaried athletic team employee shall be determined by using a fraction in which the denominator contains the total number of days in which the individual is under a duty to perform for the employer, and the numerator is the total number of those days spent in Minnesota; and

(ii) The amount of income to be assigned to Minnesota for an individual who is a nonresident, and who is an athlete or entertainer not listed in clause (i), for that person's athletic or entertainment performance in Minnesota shall be determined by assigning to this state all income from performances or athletic contests in this state.

(3) For purposes of this section, amounts received by a nonresident from the United States, its agencies or instrumentalities, the Federal Reserve Bank, the state of Minnesota or any of its political or governmental subdivisions, or a Minnesota volunteer firefighters' relief association, by way of payment as a pension, public employee retirement benefit, or any combination of these, or as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 408, or 409, or as defined in section 403(b) or 457 of the Internal Revenue Code of 1986, as amended through December 31, 1987, are not considered income derived from carrying on a trade or business or from performing personal or professional services in Minnesota, and are not taxable under this chapter.

(b) Income or gains from tangible property located in this state that is not employed in the business of the recipient of the income or gains must be assigned to this state.

(c) Except upon the sale of a partnership interest or the sale of stock of an S corporation, income or gains from intangible personal property not employed in the business of the recipient of the income or gains must be assigned to this state if the recipient of the income or gains is a resident of this state or is a resident trust or estate.

Gain on the sale of a partnership interest is allocable to this state in the ratio of the original cost of partnership tangible property in this state to

the original cost of partnership tangible property everywhere, determined at the time of the sale. If more than 50 percent of the value of the partnership's assets consists of intangibles, gain or loss from the sale of the partnership interest is allocated to this state in accordance with the sales factor of the partnership for its first full tax period immediately preceding the tax period of the partnership during which the partnership interest was sold.

Gain on the sale of stock held in an S corporation is allocable to this state in the ratio of the original cost of tangible property of the S corporation within this state to the original cost of tangible property of the S corporation everywhere an amount equal to the gain on the sale of the stock multiplied by the ratio that was used to compute the amount of S corporation income assignable to Minnesota in the tax year preceding the year of sale.

Gain on the sale of goodwill or income from a covenant not to compete that is connected with a business operating all or partially in Minnesota is allocated to this state to the extent that the income from the business in the year preceding the year of sale was assignable to Minnesota under subdivision 3.

(d) Income from the operation of a farm shall be assigned to this state if the farm is located within this state and to other states only if the farm is not located in this state.

(e) Income from winnings on Minnesota pari-mutuel betting tickets, the Minnesota state lottery, and lawful gambling as defined in section 349.12, subdivision 2, conducted within the boundaries of the state of Minnesota shall be assigned to this state.

(f) All items of gross income not covered in paragraphs (a) to (e) and not part of the taxpayer's income from a trade or business shall be assigned to the taxpayer's domicile.

Sec. 3. Minnesota Statutes 1988, section 290.17, subdivision 5, is amended to read:

Subd. 5. [SPECIAL RULES.] Notwithstanding subdivisions 3 and 4, all income from the operation of the following types of businesses must be allocated as follows:

(a) All income from the operation of a farm is assigned to this state if the farm is located within this state and no such income is assigned to this state if the farm is located without this state.

~~(b) Income from a trade or business consisting principally of the performance of personal or professional services is assigned to this state if, and to the extent that, the services are performed within this state.~~

~~(c) For athletic teams when the visiting team does not share in the gate receipts, all of the team's income is assigned to the state in which the team's operation is based.~~

Sec. 4. Minnesota Statutes 1989 Supplement, section 290.39, subdivision 4, is amended to read:

Subd. 4. [VOTER REGISTRATION FORM.] The commissioner shall insert securely in each individual income tax return form or instruction booklet distributed in an even-numbered for an odd-numbered year a voter registration form, returnable to the secretary of state, designed according to rules adopted by the secretary of state. This requirement applies to forms

and booklets supplied to post offices, banks, and other outlets, as well as to those mailed directly to taxpayers.

Sec. 5. Minnesota Statutes 1988, section 290.39, subdivision 5, is amended to read:

Subd. 5. [PARTNERSHIPS; NONRESIDENT PARTNERS.] (a) The commissioner may allow a partnership with five or more nonresident partners to file a composite return on behalf of nonresident partners who have no other Minnesota source income. This composite return must include the names, addresses, social security numbers, income allocation, and tax liability for all nonresident partners electing to be covered by the composite return.

(b) The computation of each partner's tax liability will be determined by multiplying the income allocated to that partner by the highest rate used to determine the tax liability for individuals under section 290.06, subdivision 2c. Nonbusiness deductions, standard deductions, or personal exemptions are not allowed.

(c) The partnership must submit a request to use this composite return filing method for nonresident partners ~~on or before the due date for filing the individual income tax return. The request may be made a part of the return filed. The requesting partnership must file a composite return in the form prescribed by the commissioner of revenue. The filing of a composite return is considered a request to use the composite return filing method.~~

(d) The electing partner must not have any Minnesota source income other than the income from the partnership and other electing partnerships. If it is determined that the electing partner has other Minnesota source income, the inclusion of the income and tax liability for that partner under this provision will not constitute a return to satisfy the requirements of subdivision 1. The penalty for failure to file a return as provided in section 290.53, subdivision 2, is assessed from the due date for filing a return until a noncomposite return is filed. The tax paid for such an individual as part of the composite return is allowed as a payment of the tax by the individual on the date on which the composite return payment was made. If the electing nonresident partner has no other Minnesota source income, filing of the composite return constitutes a return for purposes of subdivision 1.

(e) This subdivision does not preclude the requirement that an individual pay estimated tax if the individual's liability would exceed the requirements set forth in section 290.93. However, a composite estimate may be filed in a manner similar to and containing the same information required under paragraph (a).

(f) If an electing partner's share of the partnership's gross income from Minnesota sources is less than the filing requirements for a nonresident under section 290.37, subdivision 1, the tax liability is zero. However, a statement showing the partner's share of gross income must be included as part of the composite return.

(g) The election provided in this subdivision is not available to any partner other than a full-year nonresident individual who has no other Minnesota source income.

(h) A corporation defined in section 290.9725 and its nonresident shareholders may make an election under this subdivision. The provisions covering the partnership apply to the corporation and the provisions applying to the partner apply to each shareholder.

(i) Estates and trusts distributing current income only and the nonresident individual beneficiaries of such estates or trusts may make an election under this subdivision. The provisions covering the partnership apply to the estate or trust. The provisions applying to the partner apply to each beneficiary.

Sec. 6. Minnesota Statutes 1988, section 290.49, subdivision 3, is amended to read:

Subd. 3. [OMISSION IN EXCESS OF 25 PERCENT.] If the taxpayer omits from gross income an amount properly includable therein which is in excess of 25 percent of the amount of gross income stated in the return, the tax may be assessed, or a proceeding in court for the collection of such tax may be begun at any time within 6-1/2 years after the return was filed.

For purposes of this subdivision, the term "gross income" shall mean gross income as defined in section ~~290.37, subdivision 1, clause (e)~~ 290.01, subdivision 20.

Sec. 7. Minnesota Statutes 1988, section 290.92, subdivision 12, is amended to read:

Subd. 12. [WITHHELD AMOUNT, CREDIT AGAINST TAX.] The amount deducted and withheld as tax under subdivision 2a ~~or~~, 3, 4b, or 4c or section 290.923, subdivision 2, during any calendar year upon the wages, *partnership income*, or "*S*" *corporation income* of any individual or person receiving royalty payments shall be allowed as a credit to the recipient of the income against the taxes imposed by this chapter or by chapter 298, for a taxable year beginning in such calendar year. If more than one taxable year begins in such calendar year, such amount shall be allowed as a credit against the taxes for the last taxable year so beginning.

Sec. 8. Minnesota Statutes 1988, section 290.92, subdivision 23, is amended to read:

Subd. 23. [WITHHOLDING BY EMPLOYER OF DELINQUENT TAXES.] (1) The commissioner may, within five years after the date of assessment of the tax, give notice to any employer deriving income which has a taxable situs in this state regardless of whether the income is exempt from taxation, that an employee of that employer is delinquent in a certain amount with respect to any state taxes, including penalties, interest and costs. The commissioner can proceed under this subdivision only if the tax is uncontested or if the time for appeal of the tax has expired. The commissioner shall not proceed under this subdivision until the expiration of 30 days after mailing to the taxpayer, at the taxpayer's last known address, a written notice of (a) the amount of taxes, interest, and penalties due from the taxpayer and demand for their payment, and (b) the commissioner's intention to require additional withholding by the taxpayer's employer pursuant to this subdivision. The effect of the notice shall expire 180 days after it has been mailed to the taxpayer provided that the notice may be renewed by mailing a new notice which is in accordance with this subdivision. The renewed notice shall have the effect of reinstating the priority of the original claim. The notice to the taxpayer shall be in substantially the same form as that provided in section 571.41. The notice shall further

inform the taxpayer of the wage exemptions contained in section 550.37, subdivision 14. If no statement of exemption is received by the commissioner within 30 days from the mailing of the notice, the commissioner may proceed under this subdivision. The notice to the taxpayer's employer may be served by mail or by delivery by an employee of the department of revenue and shall be in substantially the same form as provided in section 571.495. Upon receipt of notice, the employer shall withhold from compensation due or to become due to the employee, the total amount shown by the notice, subject to the provisions of section 571.55. The employer shall continue to withhold each pay period until the total amount shown by the notice is paid in full. Upon receipt of notice by the employer, the claim of the state of Minnesota shall have priority over any subsequent garnishments or wage assignments. The commissioner may arrange between the employer and the employee for withholding a portion of the total amount due the employee each pay period, until the total amount shown by the notice plus accrued interest has been withheld.

The "compensation due" any employee is defined in accordance with the provisions of section 571.55. The maximum withholding allowed under this subdivision for any one pay period shall be decreased by any amounts payable pursuant to a garnishment action with respect to which the employer was served prior to being served with the notice of delinquency and any amounts covered by any irrevocable and previously effective assignment of wages; the employer shall give notice to the department of the amounts and the facts relating to such assignments within ten days after the service of the notice of delinquency on the form provided by the department of revenue as noted in this subdivision. In crediting amounts withheld against delinquent taxes of an employee, the department shall apply amounts withheld in the following order: penalties, interest, tax, and costs.

(2) If the employee ceases to be employed by the employer before the full amount set forth in a notice of delinquency plus accrued interest has been withheld, the employer shall immediately notify the commissioner in writing of the termination date of the employee and the total amount withheld. No employer may discharge any employee by reason of the fact that the commissioner has proceeded under this subdivision. If an employer discharges an employee in violation of this provision, the employee shall have the same remedy as provided in section 571.61, subdivision 2.

(3) The employer shall, by the date prescribed in subdivision 6, remit to the commissioner, on a form and in the manner prescribed by the commissioner, the amount withheld during the calendar quarter under this subdivision. Should any employer, after notice, willfully fail to withhold in accordance with the notice and this subdivision, or willfully fail to remit any amount withheld as required by this subdivision, the employer shall be liable for the total amount set forth in the notice together with accrued interest which may be collected by any means provided by law relating to taxation. ~~No amount required to be paid by an employer by reason of the employer's failure to remit under this subdivision, may be deducted from the gross income of the employer, under sections 290.09, subdivision 4 or 290.01, subdivisions 20 to 20f.~~ Any amount collected from the employer for failure to withhold or for failure to remit under this subdivision shall be credited to the employee's account in the following manner: penalties, interest, tax, and costs.

(4) Clauses (1), (2) and (3), except provisions imposing a liability on the employer for failure to withhold or remit, shall apply to cases in which

the employer is the United States or any instrumentality thereof or this state or any municipality or other subordinate unit thereof.

(5) The commissioner shall refund to the employee excess amounts withheld from the employee under this subdivision. If any excess results from payments by the employer because of willful failure to withhold or remit as prescribed in clause (3) above, the excess attributable to the employer's payment shall be refunded to the employer.

(6) Employers required to withhold delinquent taxes, penalties, interest and costs under this subdivision shall not be required to compute any additional interest, costs or other charges to be withheld.

(7) The collection remedy provided to the commissioner by this subdivision shall have the same legal effect as if it were a levy made pursuant to section 270.70.

Sec. 9. Minnesota Statutes 1988, section 290.93, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT OF DECLARATION.] (1) Every individual shall, at the time prescribed in subdivision 5, make and file with the commissioner a declaration of estimated tax for the taxable year if

the gross income (for purposes of this subdivision and subdivision 5 as defined in section ~~290.37, subdivision 1, clause (e) 290.01, subdivision 20~~) for the taxable year can reasonably be expected to exceed the gross income amounts set forth in section 290.37, subdivision 1 pertaining to the requirements for making a return.

(2) If the individual is an infant or incompetent person, the declaration shall be made by the individual's guardian.

(3) Notwithstanding the provisions of this section, no declaration is required if the estimated tax (as defined in subdivision 3) is less than \$500.

Sec. 10. Minnesota Statutes 1988, section 290A.03, subdivision 3, is amended to read:

Subd. 3. [INCOME.] (1) "Income" means the sum of the following:

(a) ~~the greater of~~ federal adjusted gross income as defined in the Internal Revenue Code ~~or zero~~; and

(b) the sum of the following amounts to the extent not included in clause (a):

(i) all nontaxable income;

(ii) the amount of a passive activity loss that is not disallowed as a result of section 469, paragraph (i) or (1) of the Internal Revenue Code and the amount of passive activity loss carryover allowed under section 469(b) of the Internal Revenue Code;

(iii) an amount equal to the total of any discharge of qualified farm indebtedness of a solvent individual excluded from gross income under section 108(g) of the Internal Revenue Code;

(iv) cash public assistance and relief;

(v) any pension or annuity (including railroad retirement benefits, all payments received under the federal Social Security Act, supplemental security income, and veterans benefits), which was not exclusively funded

by the claimant or spouse, or which was funded exclusively by the claimant or spouse and which funding payments were excluded from federal adjusted gross income in the years when the payments were made;

(vi) interest received from the federal or a state government or any instrumentality or political subdivision thereof;

(vii) workers' compensation;

(viii) nontaxable strike benefits;

(ix) the gross amounts of payments received in the nature of disability income or sick pay as a result of accident, sickness, or other disability, whether funded through insurance or otherwise;

(x) a lump sum distribution under section 402(e)(3) of the Internal Revenue Code;

(xi) contributions made by the claimant to an individual retirement account, including a qualified voluntary employee contribution; simplified employee pension plan; self-employed retirement plan; cash or deferred arrangement plan under section 401(k) of the Internal Revenue Code; or deferred compensation plan under section 457 of the Internal Revenue Code; and

(xii) nontaxable scholarship or fellowship grants.

In the case of an individual who files an income tax return on a fiscal year basis, the term "federal adjusted gross income" shall mean federal adjusted gross income reflected in the fiscal year ending in the calendar year. Federal adjusted gross income shall not be reduced by the amount of a net operating loss carryback or carryforward or a capital loss carryback or carryforward allowed for the year.

(2) "Income" does not include

(a) amounts excluded pursuant to the Internal Revenue Code, sections 101(a), 102, and 121;

(b) amounts of any pension or annuity which was exclusively funded by the claimant or spouse and which funding payments were not excluded from federal adjusted gross income in the years when the payments were made;

(c) surplus food or other relief in kind supplied by a governmental agency;

(d) relief granted under this chapter; or

(e) child support payments received under a temporary or final decree of dissolution or legal separation.

(3) The sum of the following amounts ~~shall~~ may be subtracted from income:

(a) for the claimant's first dependent, the exemption amount multiplied by 1.4;

(b) for the claimant's second dependent, the exemption amount multiplied by 1.3;

(c) for the claimant's third dependent, the exemption amount multiplied by 1.2;

(d) for the claimant's fourth dependent, the exemption amount multiplied by 1.1;

(e) for the claimant's fifth dependent, the exemption amount; and

(f) if the claimant or claimant's spouse was disabled or attained the age of 65 prior to June 1 of the year for which the taxes were levied or rent paid, the exemption amount.

For purposes of this subdivision, the "exemption amount" means the exemption amount under section 151(d) of the Internal Revenue Code of 1986, as amended through December 31, 1987, for the taxable year for which the income is reported.

Sec. 11. Minnesota Statutes 1988, section 290A.04, subdivision 1, is amended to read:

Subdivision 1. A refund shall be allowed each claimant in the amount that property taxes payable or rent constituting property taxes exceed the percentage of the household income of the claimant specified in subdivision 2 in the year for which the taxes were levied or in the year in which the rent was paid as specified in subdivision 2. If the amount of property taxes payable or rent constituting property taxes is equal to or less than the percentage of the household income of the claimant specified in subdivision 2 in the year for which the taxes were levied or in the year in which the rent was paid, the claimant shall not be eligible for a state refund pursuant to this section. ~~For purposes of claiming this refund, a claimant who owns a homestead part of the year and rents part of the year may add the rent constituting property taxes to the qualifying tax on the homestead.~~

Sec. 12. Minnesota Statutes Second 1989 Supplement, section 290A.04, subdivision 2h, is amended to read:

Subd. 2h. (a) If the gross property taxes payable on a homestead increase more than ten percent over the net property taxes payable in the prior year on the same property that is owned by the same owner in both years, and the amount of that increase is \$40 or more for taxes payable in 1990 and 1991, \$60 or more for taxes payable in 1992, \$80 or more for taxes payable in 1993, and \$100 or more for taxes payable in 1994, a claimant who is a homeowner shall be allowed an additional refund equal to the sum of (1) 75 percent of the first \$250 of the amount of the increase over ten percent for taxes payable in 1990 and 1991, 75 percent of the first \$275 of the amount of the increase over ten percent for taxes payable in 1992, 75 percent of the first \$300 of the amount of the increase over ten percent for taxes payable in 1993, and 75 percent of the first \$325 of the amount of the increase over ten percent for taxes payable in 1994, and (2) 90 percent of the amount of the increase over ten percent plus \$250 for taxes payable in 1990 and 1991, 90 percent of the amount of the increase over ten percent plus \$275 for taxes payable in 1992, 90 percent of the amount of the increase over ten percent plus \$300 for taxes payable in 1993, and 90 percent of the amount of the increase over ten percent plus \$325 for taxes payable in 1994. This subdivision shall not apply to any increase in the ~~net gross~~ property taxes payable attributable to improvements made to the homestead *after the assessment date for the prior year's taxes*.

(b) For purposes of this subdivision, the following terms have the meanings given:

(1) "Net property taxes payable" means property taxes payable after reductions made under sections 273.13, subdivisions 22 and 23; 273.132; 273.135; 273.1391; and 273.42, subdivision 2, and any other state paid property tax credits and after the deduction of tax refund amounts for which

the claimant qualifies pursuant to subdivision 2 and this subdivision.

(2) "Gross property taxes" means net property taxes payable determined without regard to the refund allowed under this subdivision.

(c) In addition to the other proofs required by this chapter, each claimant under this subdivision shall file with the property tax refund return a copy of the property tax statement for taxes payable in the preceding year or other documents required by the commissioner.

On or before December 1, 1990, and December 1 of each of the following three years, the commissioner shall estimate the cost of making the payments provided by this subdivision for taxes payable in the following year. Notwithstanding the open appropriation provision of section 290A.23, if the estimated total refund claims exceed the following amounts for the taxes payable year designated, the commissioner shall decrease the percentages of the excess taxes the state will pay and increase the dollar amount of tax increase which must occur before a taxpayer qualifies for a refund.

Taxes payable in:	Appropriation limit
1991	\$7,000,000
1992	\$6,500,000
1993	\$6,000,000
1994	\$5,500,000

The commissioner shall make the adjustments so that half of the estimated savings come from decreasing the percentages of the excess taxes the state will pay and half of the estimated savings come from increasing the dollar amount of the tax increase which must occur before a taxpayer qualifies for a refund. The determinations of the revised percentages and thresholds by the commissioner are not rules subject to chapter 14.

Sec. 13. Minnesota Statutes Second 1989 Supplement, section 290A.04, subdivision 2i, is amended to read:

Subd. 2i. If the net property taxes payable in 1990 on a seasonal residential and recreational property, not devoted to commercial use, increase more than ten percent over the net property taxes payable in 1989 and if the amount is \$40 or more, one ~~claimant~~ *individual* who is an owner of the property in both years is allowed a refund equal to 75 percent of the first \$250 of the excess of the increase over ten percent. This subdivision does not apply to the portion of an increase in taxes payable that are attributable to improvements to the property.

The individual claiming the refund can use only one contiguous seasonal residential and recreational property in computing the refund and is allowed only one refund. For the purposes of this subdivision, a husband and wife are treated as one individual.

In addition to the other proofs required by this chapter, each ~~claimant~~ *individual claiming a refund* under this subdivision shall file with the application a copy of the property tax statement for property taxes payable in 1989 and 1990 and any other documents required by the commissioner.

Sec. 14. Laws 1989, chapter 28, section 24, is amended to read:

Sec. 24. [FEDERAL CHANGES.]

The changes made by sections 1002, 1004, 1006, 1008, 1009, 1011,

1014, 1018, 3041, 6002, 6026, and ~~6286~~ 6282 of the Technical and Miscellaneous Revenue Act of 1988, Public Law Number 100-647, which affect the computation of Minnesota gross income as defined in Minnesota Statutes, section 290.01, subdivision 20; lump sum distributions as allowed by Minnesota Statutes, section 290.032; accounting provision applied under Minnesota Statutes, section 290.07; contribution deduction allowed by Minnesota Statutes, sections 290.089 and 290.21; depreciation, amortization, and expensing provisions allowed under Minnesota Statutes, section 290.09; the recognition rules for distributions and reorganization rules provided by Minnesota Statutes, sections 290.13 to 290.139; and the grantor trust and reversionary interest rule exceptions and limitations under Minnesota Statutes, sections 290.23 and 290.25, for years beginning before January 1, 1987, shall be in effect at the same time they become effective for federal income tax purposes.

The additional statute of limitations to file amended returns allowing contributions to institutions of higher education and allowing an election to claim losses on deposits in certain insolvent financial institutions under provisions of sections 6001 and 1009 of the Technical and Miscellaneous Revenue Act of 1988, shall apply to Minnesota for the same period as the federal period applies plus an additional six months.

The waiver of the estimated tax penalties provided by section 1019 of the Technical and Miscellaneous Revenue Act of 1988, shall also apply to Minnesota to the extent the underpayment was created or increased by any provisions of the changes due to applying the federal law changes.

Sec. 15. [REPEALER.]

Minnesota Statutes 1988, section 290.23, subdivision 15, is repealed.

Sec. 16. [EFFECTIVE DATE.]

Section 1 is effective on the day following final enactment. Sections 3, 5, and 15 are effective for taxable years beginning after December 31, 1989. Sections 2 and 7 are effective for taxable years beginning after December 31, 1988. Section 10 is effective for claims based on rent paid in 1989 and subsequent years and claims based on property taxes payable in 1990 and subsequent years. Sections 11 and 12 are effective beginning for property taxes payable in 1990. Section 13 is effective beginning for property taxes paid in 1990.

ARTICLE 7
INSURANCE TAXES

Section 1. Minnesota Statutes Second 1989 Supplement, section 60A.15, subdivision 1, is amended to read:

Subdivision 1. [DOMESTIC AND FOREIGN COMPANIES.] (a) On or before April 15, June 15, and December 15 of each year, every domestic and foreign company, including town and farmers' mutual insurance companies and domestic mutual insurance companies, shall pay to the commissioner of revenue installments equal to one-third of the insurer's total estimated tax for the current year. Except as provided in paragraph (b), installments must be based on a sum equal to two percent of the premiums described in paragraph (c).

(b) For town and farmers' mutual insurance companies and mutual property and casualty insurance companies other than those (i) writing life insurance, or (ii) whose total assets at the end of the preceding calendar

year exceed \$1,600,000,000, the installments must be based on an amount equal to the following percentages of the premiums described in paragraph (c):

(1) for premiums paid after December 31, 1988, and before January 1, 1992, one percent; and

(2) for premiums paid after December 31, 1991, one-half of one percent.

(c) Installments under paragraph (a) or (b) are percentages of gross premiums less return premiums on all direct business received by the insurer in this state, or by its agents for it, in cash or otherwise, during such year, excepting premiums written for marine insurance as specified in subdivision 6.

(d) Failure of a company to make payments of at least one-third of either (1) the total tax paid during the previous calendar year or (2) 80 percent of the actual tax for the current calendar year shall subject the company to the penalty and interest provided in this section, *unless the total tax for the current tax year is \$500 or less.*

Sec. 2. Minnesota Statutes 1988, section 60A.198, is amended by adding a subdivision to read:

Subd. 6. [ALLOCATION OF PREMIUMS ACCORDING TO LOCATION OF SUBJECT MATTER.] If the insurance described in subdivision 4 also covers a subject of insurance residing, located, or to be performed outside this state, for the purposes of this section, a proper pro rata portion of the entire premium payable for all of that insurance must be allocated according to the subjects of insurance residing, located, or to be performed in this state.

Sec. 3. Minnesota Statutes 1989 Supplement, section 69.021, subdivision 6, is amended to read:

Subd. 6. [CALCULATION OF APPORTIONMENT OF AID TO COUNTIES.] With respect to firefighters, one-half of the state aid available shall be distributed to the counties in proportion to their population as shown by the last official statewide federal census. The remaining one-half of the state aid available shall be distributed to the counties in proportion to their net tax capacity, excluding mineral values.

In the case of incorporated or municipal fire departments furnishing fire protection to cities, towns or townships in other counties as evidenced by valid fire service contracts filed with the commissioner of commerce and county auditor the distribution to the respective counties shall be adjusted proportionately to take into consideration the crossover fire protection service. Necessary adjustments shall be made to subsequent apportionments.

The state aid available in respect to peace officers shall not exceed the amount of tax collected and shall be distributed to the counties in proportion to the total number of active peace officers, as defined in section 69.011, subdivision 1, clause (g), in each county who are employed either by municipalities maintaining police departments or by the county. Any necessary adjustments shall be made to subsequent apportionments.

Sec. 4. Minnesota Statutes 1988, section 69.771, subdivision 3, is amended to read:

Subd. 3. [REMEDY FOR NONCOMPLIANCE; DETERMINATION.] Any municipality in which there exists a firefighters' relief association as

specified in subdivision 1 which does not comply with the applicable provisions of sections 69.771 to 69.776 or the provisions of any applicable special law relating to the funding or financing of the association shall not qualify initially to receive, or be entitled subsequently to retain, fire state aid pursuant to sections 69.011 to 69.051 until the reason for disqualification is remedied, whereupon the municipality or relief association, if otherwise qualified, shall be entitled to again receive fire state aid for the year occurring immediately subsequent to the year in which the disqualification is remedied. The ~~commissioner of commerce~~ *state auditor* shall determine if a municipality to which a firefighters' relief association is directly associated or a firefighters' relief association fails to comply with the provisions of sections 69.771 to 69.776 or the funding or financing provisions of any applicable special law based upon the information contained in the annual financial report of the firefighters' relief association required pursuant to section 69.051.

Sec. 5. Minnesota Statutes 1988, section 69.772, subdivision 2a, is amended to read:

Subd. 2a. [DETERMINATION OF ACCRUED LIABILITY FOR RECIPIENTS OF INSTALLMENT PAYMENTS.] Each firefighters' relief association which pays a lump sum service pension in installment payments to a retired firefighter pursuant to section 424A.02, subdivision 8, shall determine the accrued liability of the special fund of the firefighters' relief association relative to each retired member receiving a lump sum service pension in installment payments calculated individually as the sum of each future installment payment discounted at an interest rate of five percent, compounded annually, from the date the installment payment is scheduled to be paid to December 31. If the bylaws of the relief association provide for the payment of interest on unpaid installments, the amount of interest, projected to December 31, shall be added to the accrued liability attributable to each retired member. The sum of the accrued liability attributable to each retired member of the relief association receiving a lump sum service pension in installment payments shall be the total additional accrued liability of the special fund of the relief association as of December 31, and shall be added to the accrued liability of the special fund of the relief association calculated pursuant to subdivision 2 for purposes of calculating the financial requirements of the relief association and the minimum obligation of the municipality pursuant to subdivision 3.

To the extent that the ~~commissioner of commerce~~ *state auditor* deems it to be necessary or practical, the ~~commissioner~~ *state auditor* may specify and issue procedures, forms or mathematical tables for use in performing the calculations required pursuant to this subdivision.

Sec. 6. Minnesota Statutes 1988, section 69.774, subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZED INCLUSION IN FIRE STATE AID PROGRAM; COVERED NONPROFIT CORPORATIONS.] This section shall apply to any independent nonprofit firefighting corporation incorporated or organized pursuant to chapter 317 which operates exclusively for firefighting purposes, which is composed of volunteer firefighters, which has a duly established separate subsidiary incorporated firefighters' relief association which provides retirement coverage for or pays a service pension to a retired firefighter or a retirement benefit to a surviving dependent of either an active or a retired firefighter, and which operates subject to the

service pension minimum requirements for entitlement to and maximums for a service pension contained in section 424A.02, or a special law modifying those requirements or maximums. Notwithstanding any law to the contrary, a municipality contracting with an independent nonprofit firefighting corporation shall be included in the distribution of fire state aid to the appropriate county auditor by the ~~commissioner of commerce~~ *state auditor* only if the independent nonprofit firefighting corporation complies with the provisions of this section.

Sec. 7. Minnesota Statutes 1988, section 299F.21, subdivision 1, is amended to read:

Subdivision 1. [ESTIMATED INSTALLMENT PAYMENTS.] On or before April 15, June 15, and December 15 of each year, every licensed insurance company, including reciprocals or interinsurance exchanges, doing business in the state, excepting farmers' mutual fire insurance companies and township mutual fire insurance companies, shall pay to the commissioner of revenue installments equal to one-third of, a tax upon its fire premiums or assessments or both, based on a sum equal to one-half of one percent of the estimated fire premiums and assessments, less return premiums and dividends, on all direct business received by it in this state, or by its agents for it, in cash or otherwise, during the year, including premiums on policies covering fire risks only on automobiles, whether written under floater form or otherwise. In the case of a mutual company or reciprocal exchange the dividends or savings paid or credited to members in this state shall be construed to be return premiums. The money so received into the state treasury shall be credited to the general fund. A company that fails to make payments of at least one-third of either (1) the total tax paid during the previous calendar year or (2) 80 percent of the actual tax for the current calendar year is subject to the penalty and interest provided in this chapter, *unless the total tax for the current tax year is \$500 or less.*

Sec. 8. [EFFECTIVE DATE.]

Sections 1, 2, and 7 are effective for tax years beginning after December 31, 1990. Sections 3, 4, 5, and 6 are effective the day after final enactment.

ARTICLE 8

MISCELLANEOUS

Section 1. Minnesota Statutes 1989 Supplement, section 270.73, subdivision 1, is amended to read:

Subdivision 1. [POSTING, NOTICE.] Pursuant to *the authority to disclose* under section 270B.12, subdivision 4, the commissioner shall, by the 15th of each month, submit to the commissioner of public safety a list of all taxpayers who are required to withhold or collect the tax imposed by section 290.92 or 297A.02 *or a local option tax administered and collected by the commissioner of revenue* and who are 30 days or more delinquent in either filing a tax return or paying the tax.

The commissioner of revenue is under no obligation to list a taxpayer whose business is inactive. At least ten days before notifying the commissioner of public safety, the commissioner of revenue shall notify the taxpayer of the intended action.

The commissioner of public safety shall post the list in the same manner as provided in section 340A.318, subdivision 3. The list will prominently

show the date of posting. If a taxpayer previously listed cures the delinquency by filing all returns and paying all taxes, the commissioner shall notify the commissioner of public safety within two business days that the delinquency was cured.

Sec. 2. Minnesota Statutes 1988, section 270A.03, subdivision 2, is amended to read:

Subd. 2. "Claimant agency" means any state agency, as defined by section 14.02, subdivision 2, the regents of the University of Minnesota, any district court of the state, any county, *any statutory or home rule charter city presenting a claim for a municipal hospital, a hospital district, any public agency responsible for child support enforcement, and any public agency responsible for the collection of court-ordered restitution.*

Sec. 3. Minnesota Statutes 1988, section 270A.03, subdivision 5, is amended to read:

Subd. 5. "Debt" means a legal obligation of a natural person to pay a fixed and certain amount of money, which equals or exceeds \$25 and which is due and payable to a claimant agency. The term includes criminal fines imposed under section 609.10 and restitution. A debt may arise under a contractual or statutory obligation, a court order, or other legal obligation, but need not have been reduced to judgment.

A debt does not include ~~(1)~~ any legal obligation of a current recipient of assistance which is based on overpayment of an assistance grant; ~~or (2).~~

A debt does not include any legal obligation to pay a claimant agency for medical care, including hospitalization if the income of the debtor would have qualified for a low income credit equal to tax liability pursuant to Minnesota Statutes 1984, section 290.06, subdivision 3d, clause (1), at the time when the medical care was rendered; provided that, for purposes of this subdivision, does not exceed the following amount:

- (1) for an unmarried debtor, an income of \$6,400 or less;*
- (2) for a debtor with one dependent, an income of \$8,200 or less;*
- (3) for a debtor with two dependents, an income of \$9,700 or less;*
- (4) for a debtor with three dependents, an income of \$11,000 or less;*
- (5) for a debtor with four dependents, an income of \$11,600 or less;*
and
- (6) for a debtor with five or more dependents, an income of \$12,100 or less.*

The income amounts in ~~that section~~ *this subdivision* shall be adjusted for inflation for debts incurred in calendar years ~~1987~~ 1991 and thereafter. The dollar amount of each income level that applied to debts incurred in the prior year shall be increased in the same manner as provided in section 290.06, subdivision 2d, for the expansion of the tax rate brackets.

Sec. 4. Minnesota Statutes 1988, section 270A.03, subdivision 7, is amended to read:

Subd. 7. "Refund" means an individual income tax refund, pursuant to chapter 290, or a property tax credit or refund, pursuant to chapter 290A.

For purposes of this chapter, lottery prizes, as set forth in section 349A.08, subdivision 8, shall be treated as refunds.

Sec. 5. Minnesota Statutes 1988, section 270A.04, subdivision 2, is amended to read:

Subd. 2. Any debt owed to a claimant agency shall be submitted by the agency for collection under the procedure established by sections 270A.01 to 270A.12 unless (a) an alternative means of collection is pending and ~~believed to be adequate~~ *the debtor is complying with the terms of alternative means of collection*, (b) the collection attempt would result in a loss of federal funds, or (c) the agency is unable to supply the department with the necessary identifying information required by subdivision 3 or rules promulgated by the commissioner, or (d) the debt is barred by section 541.05.

Sec. 6. Minnesota Statutes 1988, section 270A.08, subdivision 2, is amended to read:

Subd. 2. (a) This written notice shall clearly and with specificity set forth the basis for the claim to the refund including the name of the benefit program involved if the debt arises from a public assistance grant and the dates on which the debt was incurred and, further, shall advise the debtor of the claimant agency's intention to request setoff of the refund against the debt.

(b) The notice will also advise the debtor *that any debt incurred more than six years from the date of the notice to the commissioner under section 270A.07 must not be setoff against a refund and will advise the debtor of the right to contest the validity of the claim at a hearing. The debtor must assert this right by written request to the claimant agency, which request the agency must receive within 45 days of the mailing date of the original notice or of the corrected notice, as required by subdivision 1. If the debtor has not received the notice, the 45 days shall not commence until the debtor has received actual notice. The debtor shall have the burden of showing no notice and shall be entitled to a hearing on the issue of notice as well as on the merits.*

Sec. 7. Minnesota Statutes 1989 Supplement, section 270B.07, is amended by adding a subdivision to read:

Subd. 5. [INQUIRIES RELATED TO APPLICATIONS FOR LIQUOR LICENSES.] The commissioner may disclose and certify to a requesting county or municipality whether or not an applicant for a license to be issued under section 340A.403 or sections 340A.404 to 340A.406 is liable for state or local taxes or assessments that were not paid when they became due. The commissioner shall not disclose or certify that the license applicant is liable for unpaid state or local taxes or assessments if an administrative or court action which questions the amount or validity of the unpaid taxes or assessments has been commenced, or if the appeal period to contest the taxes or assessments has not yet expired.

Sec. 8. Minnesota Statutes Second 1989 Supplement, section 349.212, subdivision 4, is amended to read:

Subd. 4. [PULL-TAB AND TIPBOARD TAX.] (a) There is imposed a tax on the sale of each deal of pull-tabs and tipboards sold by a licensed distributor. The rate of the tax is two percent of the ideal gross of the pull-tab or tipboard deal. The sales tax imposed by chapter 297A on the sale of the pull-tabs and tipboards by the licensed distributor is imposed on the retail sales price less the tax imposed by this subdivision. The retail sale of pull-tabs or tipboards by the organization is exempt from taxes imposed

by chapter 297A if the tax imposed by this subdivision has been paid and is exempt from all local taxes and license fees except a fee authorized under section 349.16, subdivision 4.

(b) The liability for the tax imposed by this section is incurred when the pull-tabs and tipboards are delivered by the distributor to the customer, to a common or contract carrier for delivery to the customer, or when received by the customer's authorized representative at the distributor's place of business, regardless of the distributor's method of accounting or the terms of the sale.

The tax imposed by this subdivision is imposed on all sales of pull-tabs and tipboards, except the following:

- (1) sales to the governing body of an Indian tribal organization for use on an Indian reservation;
- (2) sales to distributors licensed under this chapter;
- (3) sales to distributors licensed under the laws of another state or of a Province of Canada, as long as all statutory and regulatory requirements are met in the other state or province; and
- (4) sales of promotional tickets as defined in section 349.12.

(c) Pull-tabs and tipboards sold to an organization that sells pull-tabs and tipboards under the exemption from licensing in section 349.214, subdivision 2, paragraph (b), are exempt from the tax imposed by this subdivision. A distributor must require an organization conducting exempt gambling to show proof of its exempt status before making a tax-exempt sale of pull-tabs or tipboards to such an organization. A distributor shall identify, on all reports submitted to the commissioner, all sales of pull-tabs and tipboards that are exempt from tax under this subdivision.

Sec. 9. Minnesota Statutes 1988, section 349.212, is amended by adding a subdivision to read:

Subd. 7. [UNTAXED PULL-TABS AND TIPBOARDS.] In addition to penalties or criminal sanctions imposed by this chapter, any person, organization, or business entity possessing a pull-tab or tipboard upon which the tax imposed by subdivision 4 has not been paid is liable for a tax of six percent of the ideal gross of each pull-tab or tipboard. The tax on a partial deal shall be assessed as if it were a full deal.

The tax shall be assessed by the commissioner. An assessment shall be considered a jeopardy assessment or jeopardy collection as provided in section 270.70. The commissioner shall assess the tax based on personal knowledge or information available to the commissioner. The commissioner shall mail to the taxpayer at the taxpayer's last known address, or serve in person, a written notice of the amount of tax, demand its immediate payment, and, if payment is not immediately made, collect the tax by any method described in chapter 270, except that the commissioner need not await the expiration of the times specified in chapter 270. The tax assessed by the commissioner is presumed to be valid and correctly determined and assessed. The burden is upon the taxpayer to show its incorrectness or invalidity.

Sec. 10. Minnesota Statutes 1988, section 524.3-301, is amended to read:

524.3-301 [INFORMAL PROBATE OR APPOINTMENT PROCEEDINGS; APPLICATION; CONTENTS.]

An informal probate proceeding is an informal proceeding for the probate of decedent's will with or without an application for informal appointment. An informal appointment proceeding is an informal proceeding for appointment of a personal representative in testate or intestate estates. These proceedings may be combined in a single proceeding. Applications for informal probate or informal appointment shall be directed to the registrar, and verified by the applicant, in accordance with section 524.1-310, to be accurate and complete to the best of applicant's knowledge and belief as to the following information:

(1) Every application for informal probate of a will or for informal appointment of a personal representative, other than a special or successor representative, shall contain the following:

(i) a statement of the interest of the applicant;

(ii) the name, *social security number*, birthdate, and date of death of the decedent, and the county and state of the decedent's domicile at the time of death, and the names and addresses of the spouse, children, heirs, and devisees and the ages of any who are minors so far as known or ascertainable with reasonable diligence by the applicant;

(iii) if the decedent was not domiciled in the state at the time of death, a statement showing venue;

(iv) a statement identifying and indicating the address of any personal representative of the decedent appointed in this state or elsewhere whose appointment has not been terminated;

(v) a statement indicating whether the applicant has received a demand for notice, or is aware of any demand for notice of any probate or appointment proceeding concerning the decedent that may have been filed in this state or elsewhere.

(2) An application for informal probate of a will shall state the following in addition to the statements required by (1):

(i) that the original of the decedent's last will is in the possession of the court, or accompanies the application, or that an authenticated copy of a will probated in another jurisdiction accompanies the application;

(ii) that the applicant, to the best of the applicant's knowledge, believes the will to have been validly executed;

(iii) that after the exercise of reasonable diligence, the applicant is unaware of any instrument revoking the will, and that the applicant believes that the instrument which is the subject of the application is the decedent's last will;

(iv) that the time limit for informal probate as provided in this article has not expired either because three years or less have passed since the decedent's death, or, if more than three years from death have passed, that circumstances as described by section 524.3-108 authorizing tardy probate have occurred.

(3) An application for informal appointment of a personal representative to administer an estate under a will shall describe the will by date of execution and state the time and place of probate or the pending application

or petition for probate. The application for appointment shall adopt the statements in the application or petition for probate and state the name, address and priority for appointment of the person whose appointment is sought.

(4) An application for informal appointment of an administrator in intestacy shall state in addition to the statements required by (1):

(i) that after the exercise of reasonable diligence, the applicant is unaware of any unrevoked testamentary instrument relating to property having a situs in this state under section 524.1-301, or, a statement why any such instrument of which the applicant may be aware is not being probated;

(ii) the priority of the person whose appointment is sought and the names of any other persons having a prior or equal right to the appointment under section 524.3-203.

(5) An application for appointment of a personal representative to succeed a personal representative appointed under a different testacy status shall refer to the order in the most recent testacy proceeding, state the name and address of the person whose appointment is sought and of the person whose appointment will be terminated if the application is granted, and describe the priority of the applicant.

(6) An application for appointment of a personal representative to succeed a personal representative who has tendered a resignation as provided in section 524.3-610(c), or whose appointment has been terminated by death or removal, shall adopt the statements in the application or petition which led to the appointment of the person being succeeded except as specifically changed or corrected, state the name and address of the person who seeks appointment as successor, and describe the priority of the applicant.

Sec. 11. [REPEALER.]

Minnesota Statutes 1988, sections 290.612; and 297A.431, are repealed.

Sec. 12. [EFFECTIVE DATE.]

Sections 1 to 11 are effective the day following final enactment.

ARTICLE 9

TECHNICAL AND ADMINISTRATIVE CHANGES

Section 1. Minnesota Statutes 1988, section 116K.04, subdivision 4, is amended to read:

Subd. 4. The commissioner shall:

(1) Appoint the state demographer, who shall be compensated in accordance with section 43A.18, subdivision 3. The state demographer shall be professionally competent in the field of demography and shall possess demonstrated ability, based upon past performance;

(2) Continuously gather and develop demographic data within the state;

(3) Design and test methods of research and data collection;

(4) Periodically prepare population projections for designated regions and for the state and may periodically prepare projections for each county, or other political or geographic division as necessary to carry out the purposes of this section;

(5) Review, comment, and prepare analysis of population estimates and

projections made by state agencies, political subdivisions, other states, federal agencies or nongovernmental persons, institutions or commissions;

(6) Serve as the state liaison with the federal bureau of census, and coordinate the activities of the state planning agency with federal demographic activities to the fullest extent possible, and shall aid the legislature in preparing a census data plan and form for each decennial census;

(7) Compile an annual study of population estimates on the basis of county, regional or other political or geographic divisions as necessary to carry out the purposes of this subdivision and section 116K.05;

(8) On or before January 1 of each year, issue a report to the legislature containing an analysis of the demographic implications of the annual population study and population projections;

(9) Cause to be prepared maps of all counties in the state, all municipalities with a population of 10,000 or more, and any other municipalities as deemed necessary for census purposes, according to scale and detail recommended by the federal bureau of the census, with the maps of cities showing boundaries of precincts; ~~and~~

(10) Prepare an estimate of population and of the number of households for each governmental subdivision for which the metropolitan council does not prepare an annual estimate, and shall communicate the estimates to the governing body of each governmental subdivision by May 1 of each year; *and*

(11) Prepare a population estimate for an area annexed by a governmental subdivision subject to levy limits under sections 275.50 to 275.56 if a municipal board order exists for the annexation and if the population in the annexed area is equal to either (1) at least 50 people or (2) at least ten percent of the population of a governmental subdivision or unorganized territory that is being annexed. The estimate shall be of the population as of the date, within the 12-month period after the annexation occurs, for which a population estimate for the governmental subdivision is made by either the state demographer under clause (10) or by the metropolitan council.

Sec. 2. Minnesota Statutes 1989 Supplement, section 168.013, subdivision 5, is amended to read:

Subd. 5. [CERTAIN VEHICLES SUBJECT TO PERSONAL PROPERTY TAX.] Motor vehicles not subject to taxation as provided in section 168.012, but subject to taxation as personal property within the state under section 273.36 or 273.37, subdivision 1, shall be assessed and valued at ~~23 1/3 percent of the market value thereof,~~ have a tax capacity as provided in section 273.13, subdivision 25, provided, that if the person against whom any tax has been levied on the ad valorem basis because of any motor vehicle shall, during the calendar year for which such tax is levied, be also taxed under the provisions of this chapter, then and in that event, upon proper showing, the commissioner of revenue shall grant to the person against whom said ad valorem tax was levied, such reduction or abatement of net tax capacity or taxes as was occasioned by the so-called ad valorem tax imposed, and provided further that, if said ad valorem tax upon any motor vehicle has been assessed against a dealer in new and unused motor vehicles, and the tax imposed by this chapter for the required period is thereafter paid by the owner, then and in that event, upon proper showing, the commissioner of revenue, upon the application of said dealer, shall

grant to such dealer against whom said ad valorem tax was levied such reduction or abatement of net tax capacity or taxes as was occasioned by the so-called ad valorem tax imposed. If such motor vehicle be registered and taxed under this chapter for a fractional part of the calendar year only, then such ad valorem tax shall be reduced in the percentage which such fractional part of the years bears to a full year.

Sec. 3. Minnesota Statutes 1989 Supplement, section 272.16, is amended to read:

272.16 [TRANSFER OF SPECIFIC PART.]

Subdivision 1. [TRANSFER OF SPECIFIC PART.] When any part less than the whole of any parcel of land, as charged in the tax lists, is conveyed, the county auditor shall transfer the same whenever the seller and purchaser agree, in a writing signed by them, or personally appear before the county auditor and agree, upon the amount of the net tax capacity to be transferred therewith; ~~but~~. If the seller and purchaser do not so agree, the county auditor shall make ~~such~~ a division of the net tax capacity as ~~may appear~~ *that appears just* to the auditor ~~just~~. If the county auditor is satisfied that the proportion of the net tax capacity so agreed to be transferred is greater than the proportional value of the land to be transferred therewith, and that ~~such~~ the agreement was made by collusion of the parties, and with a view fraudulently to evade payment of taxes assessed on the entire parcel, the auditor may refuse to make ~~such~~ the transfer; ~~and~~. When any such transfer has already been procured by fraudulent agreement, the auditor shall cancel ~~the same~~ *it*, and the land so transferred shall be charged with taxes in the same manner as though the transfer had not been made.

Subd. 2. [SPECIFIC PART CONVEYED AFTER EXECUTION OF A LENDER'S LIEN.] *Notwithstanding the provisions of sections 272.12, 272.121, and 272.162, a lender that acquires through execution of a lien, any part less than the whole of any parcel of land, as charged in the tax lists, may convey that part upon payment of the proper proportion of taxes due and owing on that part. The county auditor shall determine the proper proportion of taxes to be paid. The lender shall be required to provide the county auditor with instruments that document the lender's lien and the acquisition of the part.*

Sec. 4. Minnesota Statutes 1989 Supplement, section 273.01, is amended to read:

273.01 [LISTING AND ASSESSMENT, TIME.]

All real property subject to taxation shall be listed and at least one-fourth of the parcels listed shall be appraised each year with reference to their value on January 2 preceding the assessment so that each parcel shall be reappraised at maximum intervals of four years. All real property becoming taxable in any year shall be listed with reference to its value on January 2 of that year. Except as provided in *this section and* section 274.01, subdivision 1, all real property assessments shall be completed two weeks prior to the date scheduled for the local board of review or equalization. *No changes in valuation or classification which are intended to correct errors in judgment by the county assessor may be made by the county assessor after the board of review or the county board of equalization has adjourned; however, corrections of errors that are merely clerical in nature or changes that extend homestead treatment to property are permitted after adjournment until the tax extension date for that assessment year. Any*

changes made by the assessor after ~~this time~~ *adjournment* must be fully documented and maintained in a file in the assessor's office and shall be available for review by any person. A copy of any changes made during this period shall be sent to the county board *no later than December 31 of an assessment year*. In the event a valuation and classification is not placed on any real property by the dates scheduled for the local board of review or equalization the valuation and classification determined in the preceding assessment shall be continued in effect and the provisions of section 273.13 shall, in such case, not be applicable, except with respect to real estate which has been constructed since the previous assessment. Real property containing iron ore, the fee to which is owned by the state of Minnesota, shall, if leased by the state after January 2 in any year, be subject to assessment for that year on the value of any iron ore removed under said lease prior to January 2 of the following year. Personal property subject to taxation shall be listed and assessed annually with reference to its value on January 2; and, if acquired on that day, shall be listed by or for the person acquiring it.

Sec. 5. Minnesota Statutes 1989 Supplement, section 273.11, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] Except as provided in subdivisions 6, 8, and 9 or section 273.17, subdivision 1, all property shall be valued at its market value. The market value as determined pursuant to this section shall be stated such that any amount under \$100 is rounded up to \$100 and any amount exceeding \$100 shall be rounded to the nearest \$100. In estimating and determining such value, the assessor shall not adopt a lower or different standard of value because the same is to serve as a basis of taxation, nor shall the assessor adopt as a criterion of value the price for which such property would sell at a forced sale, or in the aggregate with all the property in the town or district; but the assessor shall value each article or description of property by itself, and at such sum or price as the assessor believes the same to be fairly worth in money. In assessing any tract or lot of real property, the value of the land, exclusive of structures and improvements, shall be determined, and also the value of all structures and improvements thereon, and the aggregate value of the property, including all structures and improvements, excluding the value of crops growing upon cultivated land. In valuing real property upon which there is a mine or quarry, it shall be valued at such price as such property, including the mine or quarry, would sell for a fair, voluntary sale, for cash. In valuing real property which is vacant, the fact that such property is platted shall not be taken into account. An individual lot of such platted property shall not be assessed in excess of the ~~assessment~~ *valuation* of the land as if it were unplatted until the lot is improved with a permanent improvement all or a portion of which is located upon the lot, or for a period of three years after final approval of said plat whichever is shorter. When a lot is sold or construction begun, ~~the net tax capacity~~ of that lot or any single contiguous lot fronting on the same street shall be eligible for ~~reassessment~~ *revaluation*. All property, or the use thereof, which is taxable under section 272.01, subdivision 2, or 273.19, shall be valued at the market value of such property and not at the value of a leasehold estate in such property, or at some lesser value than its market value.

Sec. 6. Minnesota Statutes Second 1989 Supplement, section 273.124, subdivision 6, is amended to read:

Subd. 6. [LEASEHOLD COOPERATIVES.] When one or more dwellings or one or more buildings which each contain several dwelling units is owned by a nonprofit corporation subject to the provisions of chapter 317 and qualifying under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, as amended through December 31, 1988, or a limited partnership which corporation or partnership operates the property in conjunction with a cooperative association, homestead treatment may be claimed by the cooperative association on behalf of the members of the cooperative for each dwelling unit occupied by a member of the cooperative. The cooperative association must provide the assessor with the social security numbers of those members. To qualify for the treatment provided by this subdivision, the following conditions must be met:

(a) the cooperative association must be organized under chapter 308A and all voting members of the board of directors must be resident tenants of the cooperative and must be elected by the resident tenants of the cooperative;

(b) the cooperative association must have a lease for occupancy of the property for a term of at least 20 years, which permits the cooperative association, while not in default on the lease, to participate materially in the management of the property, including material participation in establishing budgets, setting rent levels, and hiring and supervising a management agent;

(c) to the extent permitted under state or federal law, the cooperative association must have a right under a written agreement with the owner to purchase the property if the owner proposes to sell it; if the cooperative association does not purchase the property it is offered for sale, the owner may not subsequently sell the property to another purchaser at a price lower than the price at which it was offered for sale to the cooperative association unless the cooperative association approves the sale;

(d) the cooperative must meet one of the following criteria with respect to the income of its members: (1) a minimum of 75 percent of members must have incomes at or less than 80 percent of area median income, (2) a minimum of 40 percent of members must have incomes at or less than 60 percent of area median income, or (3) a minimum of 20 percent of members must have incomes at or less than 50 percent of area median income. For purposes of this clause, "member income" means the income of a member existing at the time the member acquires his or her cooperative membership, and "median income" means the St. Paul-Minneapolis metropolitan area median income as determined by the United States Department of Housing and Urban Development;

(e) if a limited partnership owns the property, it must include as the managing general partner a nonprofit organization operating under the provisions of chapter 317 and qualifying under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, as amended through December 31, 1988, and the limited partnership agreement must provide that the managing general partner have sufficient powers so that it materially participates in the management and control of the limited partnership;

(f) prior to becoming a member of a leasehold cooperative described in this subdivision, a person must have received notice that (1) describes leasehold cooperative property in plain language, including but not limited to the effects of classification under this subdivision on rents, property taxes and tax credits or refunds, and operating expenses, and (2) states that

copies of the articles of incorporation and bylaws of the cooperative association, the lease between the owner and the cooperative association, a sample sublease between the cooperative association and a tenant, and, if the owner is a partnership, a copy of the limited partnership agreement, can be obtained upon written request at no charge from the owner, and the owner must send or deliver the materials within seven days after receiving any request;

(g) if a dwelling unit of a building was occupied on the 60th day prior to the date on which the unit became leasehold cooperative property described in this subdivision, ~~then (1) the notice described in paragraph (f) must have been sent by first class mail to the occupant of the unit at least 60 days prior to the date on which the unit became leasehold cooperative property; and (2) prior to the mailing of the notice.~~ *For purposes of the notice under this paragraph, the copies of the documents referred to in paragraph (f) may be in proposed version, provided that any subsequent material alteration of those documents made after the occupant has requested a copy shall be disclosed to any occupant who has requested a copy of the document. Copies of the documents identified in the notice must have been articles of incorporation and certificate of limited partnership shall be filed with the secretary of state after the expiration of the 60-day period unless the change to leasehold cooperative status does not proceed;* and

(h) the county attorney of the county in which the property is located must certify to the assessor that the property meets the requirements of this subdivision.

Homestead treatment must be afforded to units occupied by members of the cooperative association and the units must be assessed as provided in subdivision 3, provided that any unit not so occupied shall be classified and assessed pursuant to the appropriate class. No more than three acres of land may, for assessment purposes, be included with each dwelling unit that qualifies for homestead treatment under this subdivision.

Sec. 7. Minnesota Statutes Second 1989 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 3.6 percent of market value.

(b) Class 4b includes:

(1) residential real estate containing less than four units, other than seasonal residential, and recreational;

(2) post-secondary student housing not to exceed one acre of land which is owned by a nonprofit corporation organized under chapter 317 and is used exclusively by a sorority or fraternity organization for housing;

(3) manufactured homes not classified under any other provision;

(4) a dwelling, garage, and surrounding one acre of property on a non-homestead farm classified under subdivision 23, paragraph (b).

Class 4b property has a class rate of 3.0 percent of market value.

(c) Class 4c property includes:

(1) a structure that is situated on real property that is used for housing for the elderly or for low and moderate income families as defined by Title II of the National Housing Act or the Minnesota housing finance agency law of 1971 or rules promulgated by the agency pursuant thereto and financed by a *local government unit loan*, direct federal loan ~~or~~, federally insured loan, or a loan made by the Minnesota housing finance agency pursuant to the provisions of either of those acts and acts amendatory thereof. This clause applies only to (i) property of a nonprofit or limited dividend entity, and (ii) property upon which restrictions are enforced by a public agency or governmental unit to ensure the affordability of rents for persons and families of low income and which is a "qualified low-income housing project" as defined in section 42(g) of the Internal Revenue Code of 1986, as amended through December 31, 1989. 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 that (i) receives a low-income housing credit under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1988; or (ii) meets the requirements of that section. Classification pursuant to this clause is limited to buildings the construction or rehabilitation of which began after May 1, 1988, and to a term of 15 years.

For all *class 4c* properties described in clauses (1), (2), and (3) and for *class 4d* properties described in paragraph (d), the market value determined by the assessor must be based on the normal approach to value using normal unrestricted rents. The land on which these structures are situated has the class rate given *class 4b* property in paragraph (b) if the structure contains fewer than four units, and the class rate given *class 4a* property in paragraph (a) if the structure contains four or more units.

(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 317; (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 225 days in the year preceding the year of assessment. For this purpose, property is devoted to commercial use on a specific day if it is used, or offered for use, and a fee is charged for the use. 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 225 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 and clause (6) also includes the remainder of class 1c resorts; and

(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, 1988. 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; and

Class 4c property has a class rate of 2.4 percent of market value.

(d) (1) Class 4d property includes any structure:

(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.

Classification under this clause is only available to property of a non-profit or limited dividend entity.

(2) The class rates in paragraph (c), clauses (1), (2), and (3) and ~~this clause (1)~~ 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.~~ *The restrictions contained in this clause apply to all properties financed by a local government unit loan, regardless of when construction of the project began or when the project was approved.*

Class 4d property has a class rate of 1.7 percent of market value for taxes payable in 1990, and two percent of market value for taxes payable thereafter.

(e) Residential rental property that would otherwise be assessed as class 4 property under paragraph (a); paragraph (b), clauses (1) and (2); paragraph (c), clause (1), (2), (3), or (4); ~~or paragraph (d)~~, 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 2.4 percent of market value if it is found to be a substandard building under section 273.1316.*

Sec. 8. Minnesota Statutes Second 1989 Supplement, section 273.1391, subdivision 2, is amended to read:

Subd. 2. For taxes payable in 1990 and subsequent years, the amount of the reduction authorized by subdivision 1 shall be:

(a) In the case of property located within a school district which does not meet the qualifications of section 273.134 as a tax relief area, but which is located in a county with a population of less than 100,000 in which taconite is mined or quarried and wherein a school district is located which does meet the qualifications of a tax relief area, and provided that at least 90 percent of the area of the school district which does not meet the qualifications of section 273.134 lies within such county, 57 percent of the tax on qualified property located in the school district that does not meet the qualifications of section 273.134, provided that the amount of said reduction shall not exceed the maximum amounts specified in clause (c), and shall not exceed an amount sufficient to reduce the effective tax rate on each parcel of property to the product of 95 percent of the base year effective tax rate multiplied by the ratio of the current year's tax rate to the

payable 1989 tax rate. In no case will the reduction for each homestead resulting from this credit be less than \$10. The reduction provided by this clause shall only be applicable to property located within the boundaries of the county described therein.

(b) In the case of property located within a school district which does not meet the qualifications of section 273.134 as a tax relief area, but which is located in a school district in a county containing a city of the first class and a qualifying municipality, but not in a school district containing a city of the first class or adjacent to a school district containing a city of the first class unless the school district so adjacent contains a qualifying municipality, 57 percent of the tax, but not to exceed the maximums specified in clause (c), and shall not exceed an amount sufficient to reduce the effective tax rate on each parcel of property to the product of 95 percent of the base year effective tax rate multiplied by the ratio of the current year's tax rate to the payable 1989 tax rate. In no case will the reduction for each homestead resulting from this credit be less than \$10.

(c) The maximum reduction of the tax up to the taxonite breakpoint is \$200.10 for taxes payable in 1985. This maximum amount shall increase by \$15 multiplied by the quantity one minus the homestead credit equivalency percentage per year for taxes payable in 1986 and subsequent years.

For the purposes of this subdivision, "homestead credit equivalency percentage" means one minus the ratio of the net tax capacity percentage to the gross tax capacity percentage applicable to the first \$68,000 of the market value of residential homesteads, and "effective tax rate" means tax divided by the market value of a property, and the "base year effective tax rate" means the payable 1988 tax on a property with an identical market value to that of the property receiving the credit in the current year after application of the credits payable under Minnesota Statutes 1988, section 273.13, subdivisions 22 and 23, and this section, divided by the market value of the property.

Sec. 9. Minnesota Statutes Second 1989 Supplement, section 273.1398, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) In this section, the terms defined in this subdivision have the meanings given them.

(b) "Unique taxing jurisdiction" means the geographic area subject to the same set of tax capacity rates.

(c) "Gross tax capacity" means the product of the gross class rates and estimated market values. "Total gross tax capacity" means the gross tax capacities for all property within the unique taxing jurisdiction. The total gross tax capacity used shall be reduced by the sum of (1) the unique taxing jurisdiction's gross tax capacity of commercial industrial property as defined in section 473F02, subdivision 3, multiplied by the ratio determined pursuant to section 473F08, subdivision 6, for the municipality, as defined in section 473F02, subdivision 8, in which the unique taxing jurisdiction is located, (2) the gross tax capacity of the captured value of tax increment financing districts as defined in section 469.177, subdivision 2, and (3) the gross tax capacity of transmission lines deducted from a local government's total gross tax capacity under section 273.425. Gross tax capacity cannot be less than zero.

(d) "Net tax capacity" means the product of the appropriate net class rates for the year in which the aid is payable, except that for class 3 utility

real and personal property the class rate applied shall be 5.38 percent, and estimated market values for the assessment two years prior to that in which aid is payable. "Total net tax capacity" means the net tax capacities for all property within the unique taxing jurisdiction. The total net tax capacity used shall be reduced by the sum of (1) the unique taxing jurisdiction's net tax capacity of commercial industrial property as defined in section 473E02, subdivision 3, multiplied by the ratio determined pursuant to section 473E08, subdivision 6, for the municipality, as defined in section 473E02, subdivision 8, in which the unique taxing jurisdiction is located, (2) the net tax capacity of the captured value of tax increment financing districts as defined in section 469.177, subdivision 2, and (3) the net tax capacity of transmission lines deducted from a local government's total net tax capacity under section 273.425. For purposes of determining the net tax capacity of property referred to in clauses (1) and (2), the net tax capacity shall be multiplied by the ratio of the highest class rate for class 3a property for taxes payable in the year in which the aid is payable to the highest class rate for class 3a property in the prior year. Net tax capacity cannot be less than zero.

(e) "Equalized market values" are market values that have been equalized by dividing the assessor's estimated market value for the second year prior to that in which the aid is payable by the assessment sales ratios determined by class in the assessment sales ratio study conducted by the department of revenue pursuant to section 124.2131 in the second year prior to that in which the aid is payable. The equalized market values shall equal the unequalized market values divided by the assessment sales ratio.

(f) "Local tax rate" means the quotient derived by dividing the gross taxes levied within a unique taxing jurisdiction for taxes payable in 1989 by the gross tax capacity of the unique taxing jurisdiction for taxes payable in 1989. For computation of the local tax rate for aid payable in 1991 and subsequent years, gross taxes for taxes payable in 1989 exclude equalized levies as defined in subdivision 2a. For purposes of computation of the local tax rate only, gross taxes shall not be adjusted by inflation or household growth.

(g) For purposes of calculating the homestead and agricultural credit aid authorized pursuant to subdivision 2, the "subtraction factor" is the product of (i) a unique taxing jurisdiction's local tax rate; (ii) its total net tax capacity; and (iii) 0.9767.

(h) For purposes of calculating and allocating homestead and agricultural credit aid authorized pursuant to subdivision 2 and the disparity reduction aid authorized in subdivision 3, "gross taxes levied on all properties" or "gross taxes" means the total gross taxes levied on all properties except that levied on the captured value of tax increment districts as defined in section 469.177, subdivision 2, and that levied on the portion of commercial industrial properties' assessed value or gross tax capacity, as defined in section 473E02, subdivision 3, subject to the areawide tax as provided in section 473E08, subdivision 6, in a unique taxing jurisdiction before reduction by any credits for taxes payable in 1989. Gross taxes are before any reduction for disparity reduction aid. Gross taxes levied cannot be less than zero.

For homestead and agricultural credit aid payable in 1991 and subsequent years, "gross taxes" or "gross taxes levied on all properties" shall mean gross taxes payable in 1989, excluding taxes defined as "equalized levies"

actual amounts levied for the purposes listed in subdivision 2a, multiplied by the cost-of-living adjustment factor and the household adjustment factor.

(i) "Human services aids" means:

- (1) aid to families with dependent children under sections 256.82, subdivision 1, and 256.935, subdivision 1;
- (2) medical assistance under sections 256B.041, subdivision 5, and 256B.19, subdivision 1;
- (3) general assistance medical care under section 256D.03, subdivision 6;
- (4) general assistance under section 256D.03, subdivision 2;
- (5) work readiness under section 256D.03, subdivision 2;
- (6) emergency assistance under section 256.871, subdivision 6;
- (7) Minnesota supplemental aid under section 256D.36, subdivision 1;
- (8) preadmission screening and alternative care grants under section 256B.091;
- (9) work readiness services under section 256D.051;
- (10) case management services under section 256.736, subdivision 13;
- (11) general assistance claims processing, medical transportation and related costs; and
- (12) medical assistance, medical transportation and related costs.

(j) "Adjustment factor" means one plus the percentage change in (1) the ratio of estimated market value of residential ~~homesteads~~ *property* to the estimated market value of all taxable property within the city or township containing the unique taxing jurisdiction based on the assessment one year prior to the year in which the aid is payable when compared to the same ratio based on the assessment two years prior to the year in which the aid is payable. If the market value of farm homesteads exceeds the market value of residential homesteads in the city or township containing the unique taxing jurisdiction *for the assessment two years prior to the year in which the aid is payable*, "adjusted adjustment factor" means one plus the percentage change in the ratio of the estimated market value of farm ~~homesteads~~ *property* to the estimated market value of all taxable property within the city or township containing the unique taxing jurisdiction based on the assessment one year prior to the year in which the aid is payable when compared to the same ratio based on the assessment two years prior to the year in which the aid is payable. The adjustment factor cannot be less than one. Estimates of market value for the assessment one year prior to the year in which the aid is paid will be made on the basis of the abstract submitted pursuant to section 270.11. Discrepancies between the estimate and actual market values will not result in increased or decreased aid in the year in which the estimates are used to compute aid.

(k) "Cost-of-living adjustment factor" means one plus the percentage, if any, by which:

- (1) the consumer price index for the calendar year preceding that in which aid is payable, exceeds
- (2) the consumer price index for calendar year 1989.

(l) "Consumer price index for any calendar year" means the average of the consumer price index as of the close of the 12-month period ending on May 31 of such calendar year.

(m) "Consumer price index" means the last consumer price index for all-urban consumers published by the department of labor. For purposes of the preceding sentence, the revision of the consumer price index which is most consistent with the consumer price index for calendar year 1989 shall be used.

(n) "Household adjustment factor" means the number of households for the most recent year preceding that in which the aids are payable divided by the 1988 number of households. The household adjustment factor cannot be less than one.

Sec. 10. Minnesota Statutes Second 1989 Supplement, section 273.1398, subdivision 2, is amended to read:

Subd. 2. [HOMESTEAD AND AGRICULTURAL CREDIT AID.] (a) Initial homestead and agricultural credit aid for each unique taxing jurisdiction equals the total gross taxes levied on all properties, minus the unique taxing jurisdiction's subtraction factor. The commissioner of revenue may, in computing the amount of the homestead and agricultural credit aid paid in 1990, adjust the gross tax capacity, net tax capacity, and gross taxes of a taxing jurisdiction for taxes payable in 1989 to reflect auditor's errors in computing taxes payable for 1989 in unique taxing jurisdictions within independent school district Nos. 720 and 792. Homestead and agricultural credit aid cannot be less than zero.

(b)(1) The homestead and agricultural credit aid is allocated to each local government levying taxes in the unique taxing jurisdiction in the proportion that the local government's gross taxes bears to the total gross taxes levied within the unique taxing jurisdiction.

(2) The 1990 homestead and agricultural credit aid so determined for school districts for purposes of general education levies pursuant to section 124A.23, subdivisions 2 and 2a, and transportation levies pursuant to section 275.125, subdivisions 5 and 5c, shall be multiplied by the ratio of the adjusted gross tax capacity based upon the 1988 adjusted gross tax capacity to the estimated 1987 adjusted gross tax capacity based upon the 1987 adjusted assessed value.

~~(3) If a local government's total tax capacity rate for all funds for taxes payable in 1989 varies within the area in which it exercises taxing authority, the local government's allocated homestead and agricultural credit aid must be further allocated between the part of its levy in respect to which the tax capacity rate is constant throughout the area in which it exercises taxing authority and the part of its levy in respect to which the tax capacity rate varies throughout the area in which it exercises taxing authority.~~

(c) The calendar year 1990 homestead and agricultural credit aid shall be adjusted by the adjustment factor.

(d) Payments under this subdivision to counties in 1990 and subsequent years shall be reduced by the amount provided in section 477A.012, subdivisions 3, paragraph (d), and 4, paragraph (d).

(e) Payments under this subdivision to cities and towns shall be annually reduced by the amount of the homestead and agricultural credit aid adjustment, if any, determined for 1990 under section 477A.013, subdivision 6.

Sec. 11. Minnesota Statutes Second 1989 Supplement, section 273.1398, subdivision 5, is amended to read:

Subd. 5. [ADDITIONAL HOMESTEAD AND AGRICULTURAL CREDIT GUARANTEE.] Beginning with taxes payable in 1990, each unique taxing jurisdiction may receive additional homestead and agricultural credit guarantee payments.

(1) Each year, the commissioner shall determine the total education aids paid under chapters 124 and 124A, homestead and agricultural credit aid and disparity reduction aid paid under section 273.1398, local government aid to cities, counties, and towns paid under chapter 477A, ~~and income maintenance aid and, for aids paid in 1991 and thereafter, the amount paid under subdivision 5b~~ paid to counties for each taxing jurisdiction. The commissioner shall apportion each local government's aids to the unique taxing jurisdiction based upon the proportion that the unique taxing jurisdiction's tax capacity bears to the total tax capacity of the local government.

(2) Each year, the commissioner will compute a gross tax capacity rate for each taxing jurisdiction equal to its total levy divided by its gross tax capacity under Minnesota Statutes 1988, section 273.13. For each unique taxing jurisdiction, a total gross tax capacity rate will be determined. This total gross tax capacity rate will be applied against the gross tax capacity of property that would have been eligible for the homestead credit or the agricultural credit for taxes payable in 1989. An estimated credit amount will be determined for all qualifying parcels based upon the credit rate structure in effect for taxes payable in 1989. The resulting credit amounts will be summed for all parcels in the unique taxing jurisdiction.

If the amount determined in clause (2) is greater than the amount determined in clause (1), the difference will be additional homestead and agricultural credit guarantee payments for the unique taxing jurisdiction. The additional credit amount shall proportionately reduce the tax capacity rates of all local governments levying taxes within the unique taxing jurisdiction in the following year. The commissioner shall certify the amounts of additional credits determined under this subdivision to the county auditor at the time provided in subdivision 6.

Sec. 12. Minnesota Statutes Second 1989 Supplement, section 273.1398, subdivision 5a, is amended to read:

Subd. 5a. [AID ADJUSTMENT FOR COUNTY HUMAN SERVICES AID.] (a) There shall be transferred to the human services aid account from the payment to a county under subdivision 2 an amount representing a county's human services aid increase as calculated in subdivision 5b, paragraphs (a) to (c). The amount calculated for each county shall be deducted ~~from the first payment to the~~ *equally from the July and December payments to the county under this section in 1991 and subsequent years. If the deduction exceeds the amount of the first payment, the balance shall be subtracted from the second payment.* The amount of the payments under subdivision 2 shall not be less than zero as a result of this adjustment.

Sec. 13. Minnesota Statutes Second 1989 Supplement, section 273.1398, subdivision 6, is amended to read:

Subd. 6. [PAYMENT.] The commissioner shall certify the aids provided in subdivisions 2, 2b, 3, and 5 before December 1, 1989, and October 1 thereafter of the year preceding the distribution year to the county auditor

of the affected local government and pay them and the credit reimbursements to local governments other than school districts at the times provided in section 477A.015 for payment of local government aid to taxing jurisdictions. Aids and credit reimbursements to school districts must be certified to the commissioner of education and paid under section 273.1392. Except for education districts and secondary cooperatives that receive revenue according to section 124.2721 or 124.575, payment shall not be made to any taxing jurisdiction that has ceased to levy a property tax ~~nor shall homestead and agricultural credit aid be payable on the part of a levy to which homestead and agricultural credit aid was separately allocated under subdivision 2, paragraph (b), clause (2), which is no longer levied.~~

Sec. 14. Minnesota Statutes 1988, section 273.42, subdivision 1, is amended to read:

Subdivision 1. The property set forth in section 273.37, subdivision 2, consisting of transmission lines of less than 69 kv and transmission lines of 69 kv and above located in an unorganized township, and distribution lines not taxed as provided in sections 273.38, 273.40 and 273.41 shall be taxed at the average *tax capacity* rate of taxes levied for all purposes throughout the county *after disparity reduction aid is applied*, and shall be entered on the tax lists by the county auditor against the owner thereof and certified to the county treasurer at the same time and in the same manner that other taxes are certified, and, when paid, shall be credited as follows: 50 percent to the general revenue fund of the county and 50 percent to the general school fund of the county, except that if there are high voltage transmission lines as defined in section 116C.52, the construction of which was commenced after July 1, 1974 and which are located in unorganized townships within the county, then the distribution of taxes within this subdivision shall be credited as follows: 50 percent to the general revenue fund of the county, 40 percent to the general school fund of the county and ten percent to a utility property tax credit fund, which is hereby established.

Sec. 15. Minnesota Statutes 1988, section 274.01, subdivision 1, is amended to read:

Subdivision 1. [ORDINARY BOARD; MEETINGS, DEADLINES, GRIEVANCES.] (a) The town board of a town, or the council or other governing body of a city, is the board of review except in cities whose charters provide for a board of equalization. The county assessor shall fix a day and time when the board or the board of equalization shall meet in the assessment districts of the county. On or before February 15 of each year the assessor shall give written notice of the time to the city or town clerk. Notwithstanding the provisions of any charter to the contrary, the meetings must be held between April 1 and May 31 each year. The clerk shall give published and posted notice of the meeting at least ten days before the date of the meeting. The board shall meet at the office of the clerk to review the assessment and classification of property in the town or city. No changes in valuation or classification which are intended to correct errors in judgment by the county assessor may be made by the county assessor *after the board of review or the county board of equalization has adjourned; however, corrections of errors that are merely clerical in nature or changes that extend homestead treatment to property are permitted after the board of review or the county board of equalization has adjourned.* ~~This restriction does not apply to corrections of errors that are merely clerical or administrative in nature adjournment until the tax extension date~~

for that assessment year. The changes must be fully documented and maintained in the assessor's office and must be available for review by any person. A copy of the changes made during this period must be sent to the county board no later than December 31 of an assessment year.

(b) The board shall determine whether the taxable property in the town or city has been properly placed on the list and properly valued by the assessor. If real or personal property has been omitted, the board shall place it on the list with its market value, and correct the assessment so that each tract or lot of real property, and each article, parcel, or class of personal property, is entered on the assessment list at its market value. No assessment of the property of any person may be raised unless the person has been duly notified of the intent of the board to do so. On application of any person feeling aggrieved, the board shall review the assessment or classification, or both, and correct it as appears just.

(c) A local board of review may reduce assessments upon petition of the taxpayer but the total reductions must not reduce the aggregate assessment made by the county assessor by more than one percent. If the total reductions would lower the aggregate assessments made by the county assessor by more than one percent, none of the adjustments may be made. The assessor shall correct any clerical errors or double assessments discovered by the board of review without regard to the one percent limitation.

(d) A majority of the members may act at the meeting, and adjourn from day to day until they finish hearing the cases presented. The assessor shall attend, with the assessment books and papers, and take part in the proceedings, but must not vote. The county assessor, or an assistant delegated by the county assessor shall attend the meetings. The board shall list separately, on a form appended to the assessment book, all omitted property added to the list by the board and all items of property increased or decreased, with the market value of each item of property, added or changed by the board, placed opposite the item. The county assessor shall enter all changes made by the board in the assessment book.

(e) If a person fails to appear in person, by counsel, or by written communication before the board after being duly notified of the board's intent to raise the assessment of the property, or if a person feeling aggrieved by an assessment or classification fails to apply for a review of the assessment or classification, the person may not appear before the county board of equalization for a review of the assessment or classification. This paragraph does not apply if an assessment was made after the board meeting, as provided in section 273.01, or if the person can establish not having received notice of market value at least five days before the local board of review meeting.

(f) The board of review or the board of equalization must complete its work and adjourn within 20 days from the time of convening stated in the notice of the clerk, unless a longer period is approved by the commissioner of revenue. No action taken after that date is valid. All complaints about an assessment or classification made after the meeting of the board must be heard and determined by the county board of equalization. A nonresident may, at any time, before the meeting of the board of review file written objections to an assessment or classification with the county assessor. The objections must be presented to the board of review at its meeting by the county assessor for its consideration.

Sec. 16. Minnesota Statutes Second 1989 Supplement, section 274.14,

is amended to read:

274.14 [LENGTH OF SESSION; RECORD.]

The county board of equalization or the special board of equalization appointed by it shall meet during the last two weeks in June that contain ten meeting days, excluding Saturday and Sunday. No action taken by the county board of review after June 30 is valid, *except for corrections as permitted in sections 273.01 and 274.01*. The county auditor shall keep an accurate record of the proceedings and orders of the board. The record must be published like other proceedings of county commissioners. A copy of the published record must be sent to the commissioner of revenue, with the abstract of assessment required by section 274.16.

Sec. 17. Minnesota Statutes Second 1989 Supplement, section 274.175, is amended to read:

274.175 [VALUES FINALIZED.]

The assessments recorded by the county assessor and the county auditor under sections 273.124, subdivision 9; 274.16; 274.17; or other law for real and personal property are final on July 1 of the assessment year, except for property added to the assessment rolls under section 272.02, subdivision 4, or deleted because of tax forfeiture pursuant to chapter 281. No changes in value may be made after July 1 of the assessment year, *except for corrections as permitted in sections 273.01 and 274.01*.

Sec. 18. Minnesota Statutes Second 1989 Supplement, section 275.07, subdivision 3, is amended to read:

Subd. 3. The county auditor shall adjust each local government's levy certified under subdivision 1 by the amount of homestead and agricultural credit aid certified by section 273.1398, subdivision 2, reduced by the amount under section 273.1398, subdivision 5a, and equalization aid certified by section 477A.013, subdivision 5. ~~If a local government's homestead and agricultural credit aid was further allocated between portions of its levy pursuant to section 273.1398, subdivision 2, paragraph (b)(2), the levy or fund to which the homestead and agricultural credit aid was allocated is the levy or fund which must be adjusted.~~

Sec. 19. Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5, is amended to read:

Subd. 5. Notwithstanding any other law to the contrary for taxes levied in 1989 payable in 1990 and subsequent years, "special levies" means those portions of ad valorem taxes levied by governmental subdivisions to:

(a) for taxes levied in 1990, payable in 1991 and subsequent years, pay the costs not reimbursed by the state or federal government, of payments made to or on behalf of recipients of aid under any public assistance program authorized by law, and the costs of purchase or delivery of social services. The aggregate amounts levied under this clause for the costs of purchase or delivery of social services and income maintenance programs, other than those identified in section 273.1398, subdivision 1, paragraph (i), are subject to a maximum increase over the amount levied for the previous year of 12 percent for counties within the metropolitan area as defined in section 473.121, subdivision 2, or counties outside the metropolitan area but containing a city of the first class, and 15 percent for other counties. For purposes of this clause, "income maintenance programs" include income maintenance programs in section 273.1398, subdivision 1, paragraph (i),

to the extent the county provides benefits under those programs over the statutory mandated standards. Effective with taxes levied in 1990, the portion of this special levy for human service programs identified in section 273.1398, subdivision 1, paragraph (i), is eliminated;

(b) pay the costs of principal and interest on bonded indebtedness except on bonded indebtedness issued under section 471.981, subdivisions 4 to 4c, or to reimburse for the amount of liquor store revenues used to pay the principal and interest due in the year preceding the year for which the levy limit is calculated on municipal liquor store bonds;

(c) pay the costs of principal and interest on certificates of indebtedness, except tax anticipation or aid anticipation certificates of indebtedness, issued for any corporate purpose except current expenses or funding an insufficiency in receipts from taxes or other sources or funding extraordinary expenditures resulting from a public emergency; and to pay the cost for certificates of indebtedness issued pursuant to sections 298.28 and 298.282;

(d) fund the payments made to the Minnesota state armory building commission pursuant to section 193.145, subdivision 2, to retire the principal and interest on armory construction bonds;

(e) provide for the bonded indebtedness portion of payments made to another political subdivision of the state of Minnesota;

(f) pay the amounts required, in accordance with section 275.075, to correct for a county auditor's error of omission but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;

(g) pay amounts required to correct for an error of omission in the levy certified to the appropriate county auditor or auditors by the governing body of a city or town with statutory city powers in a levy year, but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;

(h) pay amounts required by law to be paid to pay the interest on and to reduce the unfunded accrued liability of public pension funds in accordance with the actuarial standards and guidelines specified in sections 356.215 and 356.216 reduced by 106 percent of the amount levied for that purpose in 1976, payable in 1977. For the purpose of this special levy, the estimated receipts expected from the state of Minnesota pursuant to sections 69.011 to 69.031 or any other state aid expressly intended for the support of public pension funds shall be considered as a deduction in determining the required levy for the normal costs of the public pension funds. No amount of these aids shall be considered as a deduction in determining the governmental subdivision's required levy for the reduction of the unfunded accrued liability of public pension funds;

(i) to compensate the state for the cost of a reassessment ordered by the commissioner of revenue pursuant to section 270.16;

(j) pay the debt service on tax increment financing revenue bonds to the extent that revenue to pay the bonds or to maintain reserves for the bonds is insufficient as a result of the provisions of Laws 1988, chapter 719,

article 5;

(k) pay the cost of hospital care under section 261.21;

(l) pay the unreimbursed costs incurred in the previous year to satisfy judgments rendered against the governmental subdivision by a court of competent jurisdiction in any tort action, or to pay the costs of settlements out of court against the governmental subdivision in a tort action when substantiated by a stipulation for the dismissal of the action filed with the court of competent jurisdiction and signed by both the plaintiff and the legal representative of the governmental subdivision, provided that an appeal for the unreimbursed costs under this clause was approved by the commissioner of revenue under section 275.51, subdivision 3;

(m) pay the expenses reasonably and necessarily incurred in preparing for or repairing the effects of natural disaster including the occurrence or threat of widespread or severe damage, injury, or loss of life or property resulting from natural causes such as earthquake, fire, flood, wind storm, wave action, oil spill, water contamination, air contamination, or drought in accordance with standards formulated by the emergency services division of the state department of public safety, provided that an appeal for the expenses incurred under this clause were approved by the commissioner of revenue under section 275.51, subdivision 3;

(n) pay a portion of the losses in tax receipts to a city due to tax abatements or court actions in the year preceding the current levy year, provided that an appeal for the tax losses was approved by the commissioner of revenue under section 275.51, subdivision 3. This special levy is limited to the amount of the losses times the ratio of the nonspecial levies to total levies for taxes payable in the year the abatements were granted. County governments are not authorized to claim this special levy;

(o) pay the operating cost of regional library services authorized under section 134.34, subject to a maximum increase over the previous year of the greater of (1) 103 percent multiplied by one plus the percentage increase determined for the governmental subdivision under section 275.51, subdivision 3h, clause (b), or (2) six percent. If a governmental subdivision elected to include some or all of its levy for libraries within its adjusted levy limit base in the prior year, but elects to claim the levy as a special levy in the current levy year, the allowable increase is determined by applying the greater percentage determined under clause (1) or (2) to the total amount levied for libraries in the prior levy year. After levy year 1989, the increase must not be determined using a base amount other than the amount that could have been levied as a special levy in the prior year. In no event shall the special levy be less than the minimum levy required under sections 134.33 and 134.34, subdivisions 1 and 2;

(p) pay the amount of the county building fund levy permitted under section 373.40, subdivision 6;

(q) pay the county's share of the costs levied in 1989, 1990, and 1991 for the Minnesota cooperative soil survey under Minnesota Statutes 1988, section 40.07, subdivision 15;

(r) for taxes levied in 1989, payable in 1990 only, pay the cost incurred for the minimum share required by counties levying for the first time under section 134.34 as required under section 134.341. For taxes levied in 1990, and thereafter, counties levying under this provision must levy under clause (o), and their allowable increase must be determined with reference to the

amount levied in 1989 under this paragraph;

(s) for taxes levied in 1989, payable in 1990 only, provide an amount equal to 50 percent of the estimated amount of the reduction in aids to a county under sections 273.1398, subdivision 2, paragraph (d), and 477A.012, subdivision 3, for aids payable in 1990;

(t) for taxes levied in 1990 only by a county in the eighth judicial district, provide an amount equal to the amount of the levy, if any, that is required under Laws 1989, chapter 335, article 3, section 54, subdivision 8;

(u) for taxes levied in 1989, payable in 1990 only, pay the costs not reimbursed by the state or federal government:

(i) for the costs of purchase or delivery of social services. The aggregate amounts levied under this item are subject to a maximum increase over the amount levied in the previous year of 12 percent for counties within the metropolitan area as defined in section 473.121, subdivision 2, or counties outside the metropolitan area but containing a city of the first class, and 15 percent for other counties.

(ii) for payments made to or on behalf of recipients of aid under any public assistance program authorized by law. The aggregate amounts levied under this item are subject to a maximum increase over the amount levied in the previous year of 12 percent and must be used only for the public assistance programs; and.

If the amount levied under this paragraph (u) in 1989 is less than the actual expenditures needed for these programs for 1990, the difference between the actual expenditures and the amount levied may be levied in 1990 as a special levy. If the amount levied in 1989 is greater than the actual expenditures needed for these programs for 1990, the difference between the amount levied and the actual expenditures shall be deducted from the 1990 levy limit, payable in 1991; and

(v) pay an amount of up to 25 percent of the money sought for distribution and approved under section 115A.557, subdivision 3, paragraph (b), clause (3).

~~*If the amount levied in 1989 is less than the actual expenditures needed for these programs for 1990, the difference between the actual expenditures and the amount levied may be levied in 1990 as a special levy. If the amount levied in 1989 is greater than the actual expenditures needed for these programs for 1990, the difference between the amount levied and the actual expenditures shall be deducted from the 1990 levy limit, payable in 1991.*~~

Sec. 20. Minnesota Statutes Second 1989 Supplement, section 275.51, subdivision 3h, is amended to read:

Subd. 3h. [ADJUSTED LEVY LIMIT BASE.] For taxes levied in 1989 and thereafter, the adjusted levy limit base is equal to the levy limit base computed pursuant to subdivision 3f, increased by:

(a) three percent for taxes levied in 1989 and subsequent years;

(b) a percentage equal to (1) one-half of the greater of the percentage increases in population or in number of households, if any, for cities and towns and (2) the lesser of the percentage increase in population or the number of households, if any, for counties, using figures derived pursuant to subdivision 6;

(c) the amount of a permanent increase in the levy limit base approved at a general or special election held during the 12-month period ending ~~September 30~~ *four working days after December 20* of the levy year under section 275.58, subdivisions 1 and 2;

(d) for levy year 1989, for a county which incurred costs since October 1978, for the litigation of federal land claims under United States Code, title 18, section 1162; United States Code, title 25, section 331; and United States Code, title 28, section 1360; an amount of up to the actual costs incurred by the county for this purpose. This adjustment shall not exceed \$250,000;

(e) for levy year 1989, an amount of \$1,724,000 for Ramsey county for implementing the local government pay equity act under sections 471.991 to 471.999. Furthermore, in levy years 1990 and 1991, an additional amount of \$862,000 shall be added to Ramsey county's adjusted levy limit base under this clause for each of the two years; and

(f) for levy year 1989, an amount equal to the decrease in a county's 50 percent share of the powerline taxes extended between taxes payable years 1988 and 1989 under section 273.42, subdivision 1. The adjustment shall be determined by the department of revenue.

For taxes levied in 1989, the adjusted levy limit base is reduced by an amount equal to the estimated amount of the reduction in aids to a county under sections 273.1398, subdivision 2, paragraph (d), and 477A.012, subdivision 3, for aids payable in 1990.

Sec. 21. Minnesota Statutes Second 1989 Supplement, section 275.51, subdivision 6, is amended to read:

Subd. 6. [POPULATION AND HOUSEHOLD ESTIMATES.] For the purpose of determining the amount of tax that a governmental subdivision may levy in accordance with limitation established by this chapter, the population or the number of households of the governmental subdivision shall be that established by the last federal census, by a census taken pursuant to section 275.14, or by an estimate made by the metropolitan council, or by the state demographer made pursuant to section 116K.04, subdivision 4, whichever is the most recent as to the stated date of count or estimate, for the calendar year preceding the current levy year. *If the area included in a governmental subdivision has increased due to annexation in the 12 months prior to the most recent population estimate for the calendar year preceding the current levy year and the adjusted levy limit base is modified under section 275.54, subdivision 3, the percentage increases in population and households determined in subdivision 3h are to be based on the change in population and number of households in the area included in the governmental subdivision before the annexation.*

Sec. 22. Minnesota Statutes 1988, section 275.54, is amended by adding a subdivision to read:

Subd. 3. [ADJUSTMENTS AFTER ANNEXATION.] *If the area included within the governmental subdivision is increased due to annexation in the 12 months prior to the most recent population estimate for the calendar year preceding the current levy year and the department of revenue makes an adjustment to the amount of aid received by the governmental subdivision under chapter 477A due to the annexation, the adjusted levy limit base of the governmental subdivision under section 275.51, subdivision 3h, will be adjusted in the following manner:*

(a) A percentage will be calculated equal to the percentage increase in population in the governmental subdivision due to annexation determined by dividing the population of the annexed area by the population of the governmental subdivision excluding the annexed area, using population estimates for the calendar year preceding the current levy year.

(b) The adjusted levy limit base of the governmental subdivision under section 275.51, subdivision 3h, after giving effect to paragraphs (a) and (b) but before application of any other paragraphs in subdivision 3h, shall be increased by the percentage calculated in paragraph (a) of this subdivision.

For purposes of section 275.51, subdivision 3f, the term "adjusted levy limit base" includes the adjustment made under this subdivision for the preceding year.

Sec. 23. Minnesota Statutes Second 1989 Supplement, section 277.01, subdivision 1, is amended to read:

Subdivision 1. *Except as provided in this subdivision, all unpaid personal property taxes shall be deemed delinquent on May 16 next after they become due or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later, and thereupon a penalty of eight percent shall attach and be charged upon all such taxes. In the case of unpaid personal property taxes due and owing under section 272.01, subdivision 2, or section 273.19 the first half shall become delinquent if not paid before May 16 or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later, and thereupon a penalty of eight percent shall attach on the unpaid first half; and the second half shall become delinquent if not paid before October 16, and thereupon a penalty of eight percent shall attach on the unpaid second half. This section shall not apply to Class 2a property.*

A county may provide by resolution that in the case of a property owner that has multiple personal property tax statements with the aggregate taxes exceeding \$50, payments may be made in installments as provided in this subdivision.

The county treasurer may accept payments of more or less than the exact amount of a tax installment due. If the accepted payment is less than the amount due, payments must be applied first to the penalty accrued for the year the payment is made. Acceptance of partial payment of tax does not constitute a waiver of the minimum payment required as a condition for filing an appeal under section 277.011 or any other law, nor does it affect the order of payment of delinquent taxes under section 280.39.

Sec. 24. Minnesota Statutes Second 1989 Supplement, section 277.02, is amended to read:

277.02 [DELINQUENT LIST FILED IN COURT.]

By June 15 of each year, the county treasurer shall make a list of all personal property taxes remaining delinquent May 16, and by November 15 of each year the county treasurer shall make a list of all personal property taxable under section 272.01, subdivision 2, or section 273.19 remaining delinquent October 16. The county treasurer shall immediately certify to and file ~~the same~~ each list with the court administrator of the district court of the county, ~~and~~. Upon ~~such~~ filing, the list shall be prima facie evidence that all of the provisions of law in relation to the assessment and levy of ~~such~~ taxes have been complied with.

Sec. 25. Minnesota Statutes Second 1989 Supplement, section 277.05, is amended to read:

277.05 [SHERIFF TO FILE LIST OF UNCOLLECTED TAXES.]

If the sheriff is unable, for want of goods and chattels whereon to levy, to collect by a distress, or otherwise, the taxes, or any part thereof, assessed upon the personal property of any persons, the sheriff shall file with the court administrator of the district court, on July 15 following, a list of such taxes. *The list shall be filed* with an affidavit of the sheriff, or of the deputy sheriff entrusted with the collection thereof, stating that the affiant has made diligent search and inquiry for goods and chattels from which to collect such taxes, and is unable to collect the same. The list of such taxes as they apply to manufactured homes shall be filed on December 1 *and the list of such taxes as they apply to property taxable under section 272.01, subdivision 2, or section 273.19 shall be filed on December 15.* The sheriff shall note on the margin of such list the place to which any delinquent taxpayer may have removed, with the date of removal, if known. At the time of filing the list the sheriff shall also return all the warrants with endorsements thereon showing the doings of the sheriff or deputy in the premises, and the court administrator shall file and preserve the same. On or before ~~September tenth~~ *July 25* thereafter, the court administrator shall deliver such list and affidavit to the county treasurer, who shall, by comparison of such list with the tax duplicates in the treasurer's office, ascertain whether or not all personal property taxes reported by the treasurer to the court administrator as delinquent, except those included in such list, have been paid into the treasurer's office, and shall attach to the list a certificate stating whether or not all taxes reported by the treasurer to the court administrator as delinquent and not included in the list have been received, and stating the items of such taxes, if any, as have been received. The court administrator shall deliver such list and affidavit as they apply to manufactured homes on or before December 10 *and as they apply to property taxable under section 272.01, subdivision 2, or section 273.19 on or before December 24.* The treasurer shall deliver such list and affidavit, with the certificate attached, to the county board at its first session thereafter, which shall cancel such taxes as it is satisfied cannot be collected. A copy of the tax list so revised, and also a separate list of the taxes so canceled, shall be included in the records of the proceedings of the board, and published in full, as a part of the proceedings.

Sec. 26. Minnesota Statutes Second 1989 Supplement, section 277.06, is amended to read:

277.06 [CITATION TO DELINQUENTS; DEFAULT JUDGMENT.]

On September 5, or within ten days after the adjournment of the county board, whichever occurs first, the county auditor shall file a copy of such revised list with the court administrator of the district court. The county auditor shall file a copy of the revised list as it applies to manufactured homes on January 20 *and a copy of the revised list as it applies to property taxable under section 272.01, subdivision 2, or section 273.19 on February 15.* Within ten days after the list has been filed, the court administrator shall issue a citation to each delinquent named in the list, stating the amount of tax and penalty, and requiring such delinquent to appear on a day to be set by the district court in the county, appointed to be held at a time not less than 30 days after the issuance of such citation, and show cause, if any there be, why the delinquent should not pay the tax and penalty. The

citation shall be delivered for service to the sheriff of the county where such person may at the time reside or be. If such person, after service of the citation, fails to pay such tax, penalty, and costs to the sheriff before the first day of the term, or on such day to show cause as aforesaid, the court shall direct judgment against the person for the amount of such tax, penalty, and costs. When unable to serve the citation, the sheriff shall return the same to the court administrator, with a return thereto to that effect, and thereupon, or if the court decides that the service of such citation made or attempted to be made, or the issuance thereof by the court administrator, was illegal, the court administrator shall issue another like citation, requiring such delinquent to appear on the first day of the next general term to be held in the county, and show cause as aforesaid, and if the delinquent fails to pay or to show cause, the court shall direct judgment as aforesaid. Whenever the sheriff has been unable to serve any such citation theretofore issued in any year or years, or whenever the court decides that the service of any such citation theretofore made or attempted to be made, or the issuance thereof by the court administrator, was illegal, the court administrator shall issue another like citation requiring such delinquent to appear, as in the case last provided, and with like effect; provided, that all citations other than the first shall be issued only on the request of the county attorney.

Sec. 27. Minnesota Statutes 1988, section 277.15, is amended to read:

277.15 [INTEREST.]

When a judgment has heretofore been entered and docketed, or shall hereafter be entered and docketed, for the recovery of taxes, except in the case of real estate tax judgments provided for in section 279.19, the same shall bear interest until paid at the rate of six percent per annum until January 1, 1981, and at the rate determined under section 549.09 ~~thereafter until January 1, 1991. Thereafter interest will be payable at the rate provided in section 279.03, subdivision 1a.~~

Sec. 28. Minnesota Statutes 1989 Supplement, section 279.01, subdivision 1, is amended to read:

Subdivision 1. Except as provided in subdivision 3, on May 16, ~~of each year, with respect to property actually occupied and used as a homestead by the owner of the property, or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later,~~ a penalty of ~~three percent~~ shall accrue and thereafter be charged upon all unpaid taxes on real estate on the current lists in the hands of the county treasurer, ~~and a penalty of. The penalty shall be at a rate of three percent on homestead property and seven percent on nonhomestead property, except that.~~ This penalty shall not accrue until June 1 of each year on commercial use real property used for seasonal residential recreational purposes and classified as class 1c or 4c, and on other commercial use real property classified as class 3a, provided that over 60 percent of the gross income earned by the enterprise on the class 3a property is earned during the months of May, June, July, and August. Any property owner of such class 3a property who pays the first half of the tax due on the property after May 15 and before June 1 shall attach an affidavit to the payment attesting to compliance with the income provision of this subdivision. Thereafter, for both homestead and nonhomestead property, on the first day of each month, up to and including October 1 following, an additional penalty of one percent for each month shall accrue and be charged on all such unpaid taxes. When

the taxes against any tract or lot exceed \$50, one-half thereof may be paid prior to May 16 or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later; and, if so paid, no penalty shall attach; the remaining one-half shall be paid at any time prior to October 16 following, without penalty; but, if not so paid, then a penalty of four percent shall accrue thereon for homestead property and a penalty of four percent on nonhomestead property. Thereafter, for homestead property, on the first day of November and December following, an additional penalty of two percent for each month shall accrue and be charged on all such unpaid taxes. Thereafter, for nonhomestead property, on the first day of November and December following, an additional penalty of four percent for each month shall accrue and be charged on all such unpaid taxes. If one-half of such taxes shall not be paid prior to May 16 or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later, the same may be paid at any time prior to October 16, with accrued penalties to the date of payment added, and thereupon no penalty shall attach to the remaining one-half until October 16 following.

A county may provide by resolution that in the case of a property owner that has multiple tracts or parcels with aggregate taxes exceeding \$50, payments may be made in installments as provided in this subdivision.

The county treasurer may accept payments of more or less than the exact amount of a tax installment due. If the accepted payment is less than the amount due, payments must be applied first to the penalty accrued for the year the payment is made. Acceptance of partial payment of tax does not constitute a waiver of the minimum payment required as a condition for filing an appeal under section 278.03 or any other law, nor does it affect the order of payment of delinquent taxes under section 280.39.

Sec. 29. Minnesota Statutes 1988, section 279.03, is amended by adding a subdivision to read:

Subd. 1a. [RATE AFTER DECEMBER 31, 1990.] Interest on delinquent property taxes, penalties, and costs unpaid on or after January 1, 1991, shall be payable at the per annum rate determined in section 270.75, subdivision 5. If the rate so determined is less than ten percent, the rate of interest shall be ten percent. The maximum per annum rate shall be 14 percent if the rate per section 270.75, subdivision 5, exceeds 14 percent. The rate shall be subject to change on January 1 of each year.

Sec. 30. Minnesota Statutes 1988, section 279.03, subdivision 2, is amended to read:

Subd. 2. [COMPOSITE JUDGMENT.] Amounts included in composite judgment, as judgments authorized by section 279.37, subdivision 1, and confessed on or after July 1, 1982, are subject to interest at the rate determined pursuant to section 549.09. Amounts confessed under this authority after December 31, 1990, are subject to interest at the rate calculated under subdivision 1a. During each calendar year, interest shall accrue on the unpaid balance of the composite judgment from the time it is confessed until it is paid. The rate of interest is subject to change each year in the same manner that section 549.09 provides or subdivision 1a, whichever is applicable, for rate changes on judgments. Interest on the unpaid contract balance on judgments confessed before July 1, 1982, is payable at the rate applicable to the judgment at the time that it was confessed.

Sec. 31. Minnesota Statutes 1988, section 279.37, subdivision 1a, is

amended to read:

Subd. 1a. The delinquent taxes upon a parcel of property which was classified class 4c pursuant to section 273.13, subdivision 9, or for taxes assessed in 1986 and thereafter, classified class 3a, for the previous year's assessment and had a total market value of less than \$100,000 for that same assessment shall be eligible to be composed into a confession of judgment. Property qualifying under this subdivision shall be subject to the same provisions as provided in this section except as herein provided.

(a) The down payment shall include all special assessments due in the current tax year, all delinquent special assessments, and 20 percent of the ad valorem tax, penalties, and interest accrued against the parcel. The balance remaining shall be payable in four equal annual installments; and

(b) The amounts entered in judgment shall bear interest at the rate provided in section 270.75, subdivision 5, commencing with the date the judgment is entered. The interest rate is subject to change each year on the unpaid balance in the manner provided in section 270.75, subdivision 5, except that the interest change will be implemented on January 1 of each year.

If the rate so determined is less than ten percent, the rate of interest shall be ten percent. The maximum per annum rate shall be 14 percent if the rate in section 270.75, subdivision 5, exceeds 14 percent.

Sec. 32. Minnesota Statutes 1989 Supplement, section 282.01, subdivision 1, is amended to read:

Subdivision 1. [~~CLASSIFICATION; USE; EXCHANGE.~~] It is the general policy of this state to encourage the best use of tax-forfeited lands, recognizing that some lands in public ownership should be retained and managed for public benefits while other lands should be returned to private ownership. ~~All~~ Parcels of land becoming the property of the state in trust under ~~the provisions of any law now existing or hereafter enacted~~ declaring the forfeiture of lands to the state for taxes, shall be classified by the county board of the county ~~wherein such~~ in which the parcels lie as conservation or nonconservation. ~~Such~~ In making the classification ~~shall be made with consideration, among other things, to the board shall consider~~ the present use of adjacent lands, the productivity of the soil, the character of forest or other growth, accessibility of lands to established roads, schools, and other public services, their peculiar suitability or desirability for particular uses and the suitability of the forest resources on the land for multiple use, sustained yield management. ~~Such~~ The classification, furthermore, ~~shall aid to~~ must encourage and foster a mode of land utilization that will facilitate the economical and adequate provision of transportation, roads, water supply, drainage, sanitation, education, and recreation; ~~to~~ facilitate reduction of governmental expenditures; ~~to~~ conserve and develop the natural resources; and ~~to~~ foster and develop agriculture and other industries in the districts and places best suited ~~thereto~~ to them.

In making ~~such~~ the classification the county board may ~~make~~ use of ~~such~~ data and information as may be made available by any office or department of the federal, state, or local governments, or by any other person or agency possessing *pertinent* information ~~pertinent thereto~~ at the time ~~such~~ the classification is made. ~~Such~~ The lands may be reclassified from time to time as the county board may ~~deem~~ consider necessary or desirable, except ~~as to~~ for conservation lands held by the state free from any trust in favor

of any taxing district.

If ~~any such~~ the lands are located within the boundaries of ~~any an~~ organized town, with taxable valuation in excess of \$20,000, or incorporated municipality, the classification or reclassification and sale ~~shall~~ must first be approved by the town board of ~~such the~~ town or the governing body of ~~such the~~ municipality ~~insofar as in which the lands are located therein are concerned~~. The town board of the town or the governing body of the municipality ~~will be deemed~~ is considered to have approved the classification or reclassification and sale if the county board is not notified of the disapproval of the classification or reclassification and sale within 90 days of the date the request for approval was transmitted to the town board of the town or governing body of the municipality. If the town board or governing body desires to acquire any parcel lying in the town or municipality by procedures authorized in this subdivision, it ~~shall, within 90 days of the request for classification or reclassification and sale,~~ must file a written application with the county board to withhold the parcel from public sale. ~~The application must be filed within 90 days of the request for classification or reclassification and sale.~~ The county board shall then withhold the parcel from public sale for one year.

Subd. 1a. [CONVEYANCE; GENERALLY.] ~~Any~~ Tax-forfeited lands may be sold by the county board to ~~any an~~ organized or incorporated governmental subdivision of the state for any public purpose for which ~~such the~~ subdivision is authorized to acquire property or may be released from the trust in favor of the taxing districts ~~upon on~~ application of ~~any a~~ state agency for ~~any an~~ authorized use at not less than their value as determined by the county board. The commissioner of revenue may convey by deed in the name of the state ~~any a~~ tract of tax-forfeited land held in trust in favor of the taxing districts; to ~~any a~~ governmental subdivision for ~~any an~~ authorized public use, ~~provided that~~ if an application is submitted to the commissioner ~~with which includes~~ a statement of facts as to the use to be made of the tract and the need therefor and the recommendation of the county board.

Subd. 1b. [CONVEYANCE; TARGETED NEIGHBORHOOD LANDS.] *Notwithstanding subdivision 1a, in the case of tax-forfeited lands located in a targeted neighborhood, as defined in section 469.201, subdivision 10, in a county in the metropolitan area defined in section 473.121, subdivision 2, the commissioner of revenue shall convey by deed in the name of the state any tract of tax-forfeited land held in trust in favor of the taxing districts, to a political subdivision that submits an application to the commissioner of revenue and the county board. The application must include a statement of facts as to the use to be made of the tract, the need therefor, and a resolution, adopted by the governing body of the political subdivision, finding that the conveyance of a tract of tax-forfeited land to the political subdivision is necessary to provide for the redevelopment of land as productive taxable property.*

Subd. 1c. [DEED OF CONVEYANCE.] The deed of conveyance shall *must* be upon *on* a form approved by the attorney general and shall *must* be conditioned upon *on* continued use for the purpose stated in the application, provided, however, that . If, *however*, the governing body of such *the* governmental subdivision by resolution determines that some other public use shall *should* be made of such *the* lands, and such *the* change of use is approved by the county board and an application for such change of use is made to, and approved by, the commissioner, such *the* changed use

may be made of such lands without the necessity of the governing body conveying the lands back to the state and securing a new conveyance from the state to the governmental subdivision for such the new public use.

Subd. 1d. [FAILURE TO USE; CONVEYANCE TO STATE.] ~~Whenever any~~ When a governmental subdivision to which ~~any~~ tax-forfeited land has been conveyed for a specified public use as provided in this section shall ~~fail~~ fails to put ~~such the~~ land to ~~such that~~ use, or to some other authorized public use as provided ~~herein in this section~~, or shall ~~abandon such abandons~~ that use, the governing body of the subdivision shall authorize the proper officers to convey the ~~same land~~, or ~~such portion thereof the part of the land~~ not required for an authorized public use, to the state of Minnesota, ~~and such~~. The officers shall execute a deed of ~~such~~ conveyance ~~forthwith, which immediately~~. The conveyance shall ~~be~~ is subject to the approval of the commissioner and ~~in its form must be~~ approved by the attorney general; ~~provided, however, that~~. A sale, lease, transfer or other conveyance of ~~such tax-forfeited~~ lands by a housing and redevelopment authority, a port authority, an economic development authority, or a city as authorized by chapter 469 shall ~~not be~~ is not an abandonment of ~~such~~ use and ~~such the~~ lands shall not be reconveyed to the state nor shall they revert to the state. A certificate made by a housing and redevelopment authority, a port authority, an economic development authority, or a city referring to a conveyance by it and stating that the conveyance has been made as authorized by chapter 469 may be filed with the county recorder or registrar of titles, and the rights of reverter in favor of the state provided by ~~this~~ subdivision *1e* will then terminate. No vote of the people shall ~~be~~ is required for ~~such the~~ conveyance.

Subd. 1e. [REVERSION.] ~~In case any such~~ If the tax-forfeited land shall ~~is not be so~~ conveyed to the state ~~in accordance with subdivision 1d~~, the commissioner of revenue shall by written instrument, in form approved by the attorney general, declare the ~~same land~~ to have reverted to the state, and shall serve a notice ~~thereof of reversion~~, with a copy of the declaration, by certified mail upon the clerk or recorder of the governmental subdivision concerned; ~~provided, that~~. No declaration of reversion shall be made earlier than five years from the date of conveyance for failure to put ~~such~~ land to ~~such the~~ use ~~specified~~ or from the date of abandonment of ~~such that~~ use if ~~such the~~ lands have been put to ~~such that~~ use. The commissioner shall file the original declaration in the commissioner's office, with verified proof of service as ~~herein required~~. The governmental subdivision may appeal to the district court of the county in which the land lies by filing with the court administrator a notice of appeal, specifying the grounds of appeal and the description of the land involved, mailing a copy ~~thereof of the notice of appeal~~ by certified mail to the commissioner of revenue, and filing a copy ~~thereof~~ for record with the county recorder or registrar of titles, all within 30 days after the mailing of the notice of reversion. The appeal shall be tried by the court in like manner as a civil action. If no appeal is taken as herein provided ~~in this subdivision~~, the declaration of reversion shall ~~be~~ is final. The commissioner of revenue shall file for record with the county recorder or registrar of titles, of the county within which the land lies, a certified copy of the declaration of reversion and proof of service.

Subd. 1f. [EXCHANGE.] ~~Any~~ A city of the first class ~~now or hereafter having~~ with a population of 450,000, or over, or its board of park commissioners, which has acquired tax-forfeited land for a specified public use

~~pursuant to the terms of under this section, may convey said the land in exchange for other land of substantially equal worth located in said the city of the first class, provided that. The land conveyed to said the city of the first class now or hereafter having a population of 450,000, or over, or its board of park commissioners, in exchange shall be is subject to the public use and reversionary provisions of this section;. The tax-forfeited land so conveyed shall is thereafter be free and discharged from the public use and reversionary provisions of this section-, provided that said. The exchange shall in no way affect the mineral or mineral rights of the state of Minnesota, if any, in the lands so exchanged.~~

Sec. 33. Minnesota Statutes 1988, section 282.01, subdivision 4, is amended to read:

Subd. 4. [CONDUCT OF SALE.] The sale shall be conducted by the county auditor at the county seat of the county in which the parcels lie, provided that, in St. Louis and Koochiching counties, the sale may be conducted in any county facility within the county, and the parcels shall be sold for cash only and at not less than the appraised value, unless the county board of the county shall have adopted a resolution providing for their sale on terms, in which event the resolution shall control with respect thereto. When the sale is made on terms other than for cash only a payment of at least ten percent of the purchase price must be made at the time of purchase, thereupon the balance shall be paid in no more than ten equal annual installments. No standing timber or timber products shall be removed from these lands until an amount equal to the appraised value of all standing timber or timber products on the lands at the time of purchase has been paid by the purchaser; provided, that in case any parcel of land bearing standing timber or timber products is sold at public auction for more than the appraised value, the amount bid in excess of the appraised value shall be allocated between the land and the timber in proportion to the respective appraised values thereof, and no standing timber or timber products shall be removed from the land until the amount of the excess bid allocated to timber or timber products has been paid in addition to the appraised value thereof. The purchaser is entitled to immediate possession, subject to the provisions of any existing valid lease made in behalf of the state.

For sales occurring on or after July 1, 1982, the unpaid balance of the purchase price is subject to interest at the rate determined pursuant to section 549.09. *The unpaid balance of the purchase price for sales occurring after December 31, 1990, is subject to interest at the rate determined in section 279.03, subdivision 1a.* The interest rate is subject to change each year on the unpaid balance in the manner provided for rate changes in section 549.09 ~~for rate changes on judgments or section 279.03, subdivision 1a, whichever, is applicable.~~ Interest on the unpaid contract balance on sales occurring before July 1, 1982, is payable at the rate applicable to the sale at the time that the sale occurred.

Sec. 34. Minnesota Statutes 1988, section 282.261, subdivision 2, is amended to read:

Subd. 2. [INTEREST RATE.] The unpaid balance on any repurchase contract approved by the county board on or after July 1, 1982, is subject to interest at the rate determined pursuant to section 549.09. *Repurchase contracts approved after December 31, 1990, are subject to interest at the rate determined in section 279.03, subdivision 1a.* The interest rate is subject to change each year on the unpaid balance in the manner provided

for rate changes in section 549.09 for rate changes on judgments or section 279.03, subdivision 1a, whichever is applicable. Interest on the unpaid contract balance on repurchases approved before July 1, 1982, is payable at the rate applicable to the repurchase contract at the time that it was approved.

Sec. 35. Minnesota Statutes 1988, section 287.21, subdivision 2, is amended to read:

Subd. 2. The proceeds of the taxes levied and collected under sections 287.21 to 287.36 ~~on or after July 1, 1985,~~ shall be ~~credited~~ *apportioned, 97 percent to the county revenue general fund of the state, and three percent to the county revenue fund.*

Sec. 36. Minnesota Statutes Second 1989 Supplement, section 287.29, subdivision 1, is amended to read:

Subdivision 1. On or before the tenth day of each month, the county treasurer shall determine and pay to the commissioner of revenue for deposit in the state treasury and credit to the general fund *the state's portion of the receipts from the sale of documentary stamps during the preceding month. The county treasurer shall provide any related reports requested by the commissioner of revenue.*

Sec. 37. Minnesota Statutes Second 1989 Supplement, section 290A.045, subdivision 6, is amended to read:

Subd. 6. [ADMINISTRATION.] Sections 290A.10, 290A.11, 290A.111, 290A.112, 290A.12, 290A.14, 290A.15, 290A.17, 290A.18, and 290A.20, including the penalties imposed on the claimants and tax return preparers in those sections, apply to claims allowed under this section. The commissioner of revenue has the powers granted in those sections to administer the refund under this section.

Sec. 38. Minnesota Statutes 1988, section 290A.10, is amended to read:

290A.10 [PROOF OF TAXES PAID.]

Every claimant who files a claim for relief for property taxes payable shall include with the claim a property tax statement or a reproduction thereof in a form deemed satisfactory by the commissioner of revenue indicating that there are no delinquent property taxes on the ~~homestead property~~ *property*. Indication on the property tax statement from the county treasurer that there are no delinquent taxes on the ~~homestead property~~ *property* shall be sufficient proof. Taxes included in a confession of judgment under section 279.37 shall not constitute delinquent taxes as long as the claimant is current on the payments required to be made under section 279.37. *For the commercial industrial equalization refund payable under section 290A.045, the notice of eligibility from the county treasurer shall be sufficient proof that the tax on the property has been paid.*

Sec. 39. Minnesota Statutes 1989 Supplement, section 298.28, subdivision 4, is amended to read:

Subd. 4. [SCHOOL DISTRICTS.] (a) 27.5 cents per taxable ton plus the increase provided in paragraph (d) must be allocated to qualifying school districts to be distributed, based upon the certification of the commissioner of revenue, under paragraphs (b) and (c).

(b) 5.5 cents per taxable ton must be distributed to the school districts in which the lands from which taconite was mined or quarried were located

or within which the concentrate was produced. The distribution must be based on the apportionment formula prescribed in subdivision 2.

(c)(i) 22 cents per taxable ton, less any amount distributed under paragraph (e), shall be distributed to a group of school districts comprised of those school districts in which the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 in direct proportion to school district indexes as follows: for each school district, its pupil units determined under section 124.17 for the prior school year shall be multiplied by the ratio of the average adjusted net tax capacity per pupil unit for school districts receiving aid under this clause as calculated pursuant to chapter 124A for the school year ending prior to distribution to the adjusted net tax capacity per pupil unit of the district. Each district shall receive that portion of the distribution which its index bears to the sum of the indices for all school districts that receive the distributions.

(ii) Notwithstanding clause (i), each school district that receives a distribution under sections 298.018; 298.23 to 298.28, exclusive of any amount received under this clause; 298.34 to 298.39; 298.391 to 298.396; 298.405; or any law imposing a tax on severed mineral values that is less than the amount of its levy reduction under section 275.125, subdivision 9, for the second year prior to the year of the distribution shall receive a distribution equal to the difference; the amount necessary to make this payment shall be derived from proportionate reductions in the initial distribution to other school districts under clause (i).

(d) On July 15, in years prior to 1988, an amount equal to the increase derived by increasing the amount determined by paragraph (c) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in paragraph (c) where a levy increase pursuant to section 124A.03, subdivision 2, is authorized by referendum, according to the following formula. On July 15, 1988, the increase over the amount established for 1987 shall be determined as if there had been an increase in the tax rate under section 298.24, subdivision 1, paragraph (b), according to the increase in the implicit price deflator. On July 15, 1989, and subsequent years, the increase over the amount established for the prior year shall be determined according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1, paragraph (a). Each district shall receive the product of:

(i) \$150 times the pupil units identified in section 124.17, subdivision 1, enrolled in the second previous year or the 1983-1984 school year, whichever is greater, less the product of ~~0.04234~~ 1.8 percent times the district's taxable ~~market value~~ *net tax capacity* in the second previous year; times

(ii) the lesser of:

(A) one, or

(B) the ratio of the amount certified pursuant to section 124A.03, subdivision 2, in the previous year, to the product of ~~0.04234~~ 1.8 percent times the district's taxable ~~market value~~ *net tax capacity* in the second previous year.

If the total amount provided by paragraph (d) is insufficient to make the payments herein required then the entitlement of \$150 per pupil unit shall

be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to paragraph (d) shall not be applied to reduce general education aid which the district receives pursuant to section 124A.23 or the permissible levies of the district. Any amount remaining after the payments provided in this paragraph shall be paid to the commissioner of iron range resources and rehabilitation who shall deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection trust fund as provided in subdivision 11.

(e) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

Sec. 40. Minnesota Statutes 1988, section 469.043, subdivision 5, is amended to read:

Subd. 5. [CONTINUATION OF REDEVELOPMENT COMPANY PROJECT PROVISIONS.] The provisions of Minnesota Statutes 1986, sections 462.591 to 462.705, shall continue in effect with respect to any ~~redevelopment company~~ project to which a tax exemption had been granted under Minnesota Statutes 1986, section 462.651, prior to August 1, 1987.

Sec. 41. Minnesota Statutes 1988, section 469.059, subdivision 11, is amended to read:

Subd. 11. [PROCEDURE.] Tax-forfeited lands in an industrial development district that are vested in the state shall be conveyed to the port authority that is developing the district for one dollar per tract. The port authority may use and later resell the land for purposes of sections 469.048 to 469.068.

In conveying tax-forfeited land to a port authority, the state may not retain a possibility of reverter or right of reentry as it does under section 282.01, subdivision 4 *1e*.

The commissioner of revenue shall convey tax-forfeited parcels in an industrial development district to the port authority, if the authority petitions for conveyance under sections 469.048 to 469.068 and pays one dollar per tract.

The attorney general shall approve the form of the deed of conveyance. The port authority shall receive absolute title to the tract, subject only to a reservation of minerals and mineral rights, under section 282.12. The deed of conveyance must not contain a restriction on the use of the premises. The conveyance divests the state of all further right, title, claim or interest in the tracts, except for the reservation of minerals and mineral rights.

Sec. 42. Minnesota Statutes 1989 Supplement, section 469.177, subdivision 1a, is amended to read:

Subd. 1a. [ORIGINAL TAX CAPACITY RATE.] At the time of the initial certification of the original net tax capacity for a tax increment financing district, the county auditor shall certify the original tax capacity rate that applies to the district. The original tax capacity rate is the sum of all the tax capacity rates that apply to a property in the district ~~for the taxes payable in the calendar year in which the initial certification of~~. *The tax capacity rate to be certified is the rate in effect for the same taxes payable year applicable to the tax capacity values certified as the district's original net tax capacity is requested under subdivision 1.* If the total tax capacity rate applicable to properties in the tax increment financing district varies, the

tax capacity rate must be computed by determining the average total tax capacity rate in the district, weighted on the basis of net tax capacity. The resulting tax capacity rate is the original tax capacity rate for the life of the district.

Sec. 43. Minnesota Statutes Second 1989 Supplement, section 473F08, subdivision 8a, is amended to read:

Subd. 8a. [FISCAL DISPARITIES ADJUSTMENT.] In any year in which the highest class rate for class 3a property changes from the rate in the previous year, the following adjustments shall be made to the procedures described in sections 473F06 to 473F08.

(1) An initial contribution tax capacity shall be determined for each municipality based on the previous year's class rates.

(2) Each jurisdiction's distribution tax capacity shall be determined based upon the areawide tax base determined by summing the tax capacities computed under clause (1) for all municipalities and apportioning the resulting sum pursuant to section 473F07, subdivision 5.

(3) Each jurisdiction's distribution levy shall be determined by applying the procedures described in subdivision 3, clause (a), to the distribution tax capacity determined pursuant to clause (2).

(4) Each municipality's final contribution tax capacity shall be determined equal to its initial contribution tax capacity multiplied by the ratio of the new highest class rate for class 3a property to the previous year's highest class rate for class 3a property.

(5) *For the purposes of computing education aids and any other state aids requiring the addition of the fiscal disparities distribution tax capacity to the local tax capacity, each municipality's final distribution tax capacity shall be determined equal to its initial distribution tax capacity multiplied by the ratio of the new highest class rate for class 3a property to the previous year's highest class rate for class 3a property.*

(6) The areawide tax capacity rate shall be determined by dividing the sum of the amounts determined in clause (3) by the sum of the values determined in clause (4).

~~(6)~~ (7) The final contribution tax capacity determined in clause (4) shall also be used to determine the portion of each commercial/industrial property's tax capacity subject to the areawide tax capacity rate pursuant to subdivision 6.

Sec. 44. Minnesota Statutes 1989 Supplement, section 477A.011, subdivision 15, is amended to read:

Subd. 15. [CITY REVENUE.] "City revenue" equals the sum of (i) the city's aid payable under section 477A.013, *except for aid payable under section 477A.013, subdivision 5*, in the year prior to that for which aids are being calculated, and (ii) its levy for taxes payable in the year prior to that for which aids are being calculated.

Sec. 45. Minnesota Statutes 1988, section 477A.011, is amended by adding a subdivision to read:

Subd. 26. [LEVY.] "Levy" means the levy as defined in section 275.07, subdivision 1, including the fiscal disparities distribution levy.

Sec. 46. Minnesota Statutes Second 1989 Supplement, section 477A.013,

subdivision 3, is amended to read:

Subd. 3. [CITY AID DISTRIBUTION.] In 1989, a city whose initial aid is greater than \$0 will receive the following aid increases in addition to an amount equal to the local government aid it received in 1988 under Minnesota Statutes 1987 Supplement, section 477A.013:

(1) for a city whose expenditure/unlimited aid ratio is at least 1.5, two percent of city revenue;

(2) for a city whose expenditure/unlimited aid ratio is at least 1.4 but less than 1.5, 2.5 percent of city revenue;

(3) for a city whose expenditure/unlimited aid ratio is at least 1.3 but less than 1.4, three percent of city revenue;

(4) for a city whose expenditure/unlimited aid ratio is at least 1.2 but less than 1.3, four percent of city revenue;

(5) for a city whose expenditure/unlimited aid ratio is at least 1.1 but less than 1.2, five percent of city revenue;

(6) for a city whose expenditure/unlimited aid ratio is at least 1.05 but less than 1.1, six percent of city revenue;

(7) for a city whose expenditure/unlimited aid ratio is at least 1.0 but less than 1.05, seven percent of city revenue;

(8) for a city whose expenditure/unlimited aid ratio is at least .95 but less than 1.0, 7.5 percent of city revenue;

(9) for a city whose expenditure/unlimited aid ratio is at least .75 but less than .95, 8.5 percent of city revenue; and

(10) for a city whose expenditure/unlimited aid ratio is less than .75, nine percent of city revenue.

In 1990, a city whose initial aid is greater than \$0 will receive an amount equal to the aid it received under this section in the year prior to that for which aids are being calculated plus an aid increase equal to 50 percent of the rates listed in clauses (1) to (10) multiplied by city revenue.

In 1991 and subsequent years, a city whose initial aid is greater than \$0 will receive an amount equal to the aid it received under this section in the year prior to that for which aids are being calculated plus an aid increase equal to 25 percent of the rates listed in clauses (1) to (10) multiplied by city revenue.

A city's aid increase under this subdivision is limited to the lesser of (1) 20 percent of its levy for taxes payable in the year prior to that for which aids are being calculated ~~after the adjustments provided in section 273.1398, subdivision 2,~~ or (2) its initial aid amount, or (3) 15 percent of the total amount received under this section in the previous year, provided that no city will receive an increase that is less than two percent of its 1989 local government aid for aids payable in 1990.

A city whose initial aid is \$0 will receive in 1990 an amount equal to 102 percent of the local government aid it received in 1989 under Minnesota Statutes 1988, section 477A.013. A city whose initial aid is \$0 will receive in 1991 and subsequent years an amount equal to the aid it received in the previous year under this section. For purposes of this subdivision, the term "local government aid" includes equalization aid for aids payable in 1991

and thereafter.

Sec. 47. Laws 1989, First Special Session chapter 1, article 3, section 35, is amended to read:

Sec. 35. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment and is intended to confirm and clarify the original intent of the legislature in the taxation and equalization of state-assessed public utility property.

Sections 2 ~~and~~, 7, and 23 are effective for taxes payable in 1991 and thereafter.

Sections 3, 5, 8, 11, 12, ~~23~~, 26, and 28 are effective for taxes payable in 1990 and thereafter.

Section 4 is effective January 1, 1989.

Sections 6, 9, 21, 29 to 32, and 34 are effective the day following final enactment.

Section 10 is effective for taxes levied in 1989, payable in 1990 and thereafter, provided that cooperatives that qualified under Minnesota Statutes, section 273.124, subdivision 6, on January 2, 1989, shall meet the board membership requirements of paragraph (a) by December 1, 1989, and shall meet the requirements of section 501(c)(3) or 501(c)(4) status under the Internal Revenue Code in the first paragraph and in paragraph (e) by January 1, 1990, and that the notice and filing requirements of paragraphs (f) and (g) shall apply only to leasehold cooperatives created later than 60 days after the date of enactment of this act.

Sections 13, 19, and 20 are effective January 1, 1991.

Section 14, paragraph (i), clauses (1) to (12), are effective for aids paid in 1991 and thereafter. The rest of section 14 and sections 15, 17, 18, and 22 are effective for aids paid in 1990 and thereafter, except as otherwise provided in those sections.

Section 16 is effective for aids payable in 1991 and thereafter.

Sections 24 and 25 are effective for mortgage registration and deed taxes collected after November 30, 1990.

Section 27 is effective for taconite produced in 1989, proceeds distributed in 1990, and thereafter.

Section 33 is effective July 1, 1991.

Sec. 48. Laws 1989, First Special Session chapter 1, article 9, section 86, is amended to read:

Sec. 86. [EFFECTIVE DATES.]

Section 5 is effective for school district referenda held after July 15, 1990, for property taxes levied in 1990, payable in 1991, and thereafter.

Sections 1 to 4, 6 to 8, 10 to 12, 17, 19 to 21, 26 to 30, 41 to 46, 48, 50 ~~to~~ 52, 51, and 66 to 77 are effective for taxes levied in 1990, payable in 1991, and thereafter.

The part of section 9 changing the meeting date of the state board of equalization is effective for taxes levied in 1990, payable in 1991, and thereafter. The rest of section 9 and sections 13 to 16, 22 to 25, 78, and

82, 84, and 85 are effective the day following final enactment.

Section 18 is effective for sales after January 1, 1990.

Sections 31 to 38 and 40 are effective for taxes levied in 1990, payable in 1991, and thereafter, except as otherwise provided.

Sections 39, 47, 49, 52, 54 to 64, 79, and 80 are effective for property taxes levied in 1989, payable in 1990, and thereafter.

Section 53 is effective for property taxes levied in 1989, payable in 1990, and thereafter, except that the provision requiring certification of aids by September 1, is effective for taxes levied in 1990, payable in 1991, and thereafter.

Sections 65 and 81 are effective July 1, 1990.

Section 83 is effective only for taxes levied in 1989, payable in 1990.

Sec. 49. [1990 TAX PAYMENTS.]

The amendment of Minnesota Statutes Second 1989 Supplement, section 277.01, subdivision 1, in section 23 does not require sending of revised tax statements for taxes payable in 1990 by the county auditor, but payments of taxes by the dates provided in that section shall be accepted as timely paid.

Sec. 50. [REPEALER.]

Minnesota Statutes 1988, section 272.70, is repealed.

Sec. 51. [EFFECTIVE DATE.]

Sections 1, 4, 6, 15 to 17, 32, 40, 41, and 47 to 49 are effective the day following final enactment.

Sections 2, 5, 7 to 10, 13, 14, 18 to 20, 23 to 26, 28, 37, 38, and 42 to 46 are effective for taxes levied in 1989 and thereafter, payable in 1990 and thereafter.

Sections 11, 12, 27, 29 to 31, 33, and 34 are effective January 1, 1991.

Sections 3, 21, and 22 are effective for taxes levied in 1990 and thereafter, payable in 1991 and thereafter.

Sections 35 and 36 are effective for deed taxes collected after November 30, 1990.

Section 39 is effective for production years 1989 and thereafter, taxes payable in 1990 and thereafter.

ARTICLE 10

PROPERTY TAX SYSTEM CONVERSIONS

Section 1. Minnesota Statutes 1989 Supplement, section 38.18, is amended to read:

38.18 [COUNTY FAIRGROUNDS, IMPROVEMENT AIDED.]

Any town, statutory city, or school district in this state, now or hereafter having a ~~net tax capacity~~ *market value* of all its taxable property, exclusive of money and credits, of more than ~~\$25,000,000~~ *\$105,000,000*, and having a county fair located within its corporate limits, is hereby authorized to aid in defraying part of the expense of improving any such fairground, by appropriating and paying over to the treasurer of the county owning the

fairground such sum of money, not exceeding \$10,000, for each of the political subdivisions, as the governing body of the town, statutory city, or school district may, by resolution, determine to be for the best interest of the political subdivision, the sums so appropriated to be used solely for the purpose of aiding in the improvement of the fairground in such manner as the county board of the county shall determine to be for the best interest of the county.

Sec. 2. Minnesota Statutes 1989 Supplement, section 50.14, subdivision 4, is amended to read:

Subd. 4. Class three shall be:

(a) The bonds, certificates of indebtedness, or other interest bearing obligations, payable out of a levy of ad valorem taxes, of any county, city, town, or any school district, drainage district, or other district, or of any board of any municipality, or of any public authority, created pursuant to law for public purposes in Minnesota, without regard to any debt limits other than those in section 475.53;

(b) The bonds, certificates of indebtedness or other interest bearing obligations, payable out of a levy of ad valorem taxes, of any county, city, town, or school, drainage or other district, or public authority, created pursuant to law for public purposes in any state of the United States other than Minnesota, provided that the total bonded indebtedness of the county, municipality, district or authority, after deducting the amount of all sinking funds and of all revenue bonds or certificates (including among revenue bonds and certificates those which pledge the full faith and credit of the issuer, if the net revenues applicable to the payment of the bonds or certificates during the three fiscal years immediately preceding the date of purchase exceeded by at least five percent the amount required to pay principal and interest on those bonds or certificates during that period), shall not exceed ten percent of its ~~net tax capacity~~ assessed value; and provided further that if the county, municipality, district or authority is of any state other than Iowa, Wisconsin, North Dakota, or South Dakota, it contains at least 3,500 inhabitants;

(c) The bonds, certificates or other interest bearing obligations, payable out of special revenues, of any county, city, town, or school, drainage, or other district, or public authority, created pursuant to law for public purposes in any state of the United States, provided that:

(aa) If the county, municipality, district or authority is of any state other than Minnesota, it contains at least 3,500 inhabitants;

(bb) The obligations were issued to finance the purpose of construction of or addition to a public enterprise furnishing water, sewer, lighting, power, gas, or road facilities, from which revenue is to be derived;

(cc) The governing body or other legally constituted authority has covenanted or is required by law to establish and maintain rates to yield sufficient revenue for the payment of operating expenses, maintenance expenses, and principal and interest on the revenue obligations and to pledge that revenue irrevocably for those purposes;

(dd) At the date of investment the public enterprise has been in operation for at least three years; and

(ee) During the preceding three fiscal years its annual net earnings, after payment of operating expenses and maintenance expenses, have been on

the average at least 1-1/4 times the average annual interest, principal and sinking fund requirements on the revenue obligations during the period from the end of its most recent fiscal year to the final maturity of the obligations; and

(d) The bonds or other interest bearing obligations, payable from revenues other than ad valorem taxes as contemplated in clause (a), validly issued by any state or insular possession of the United States, or by any agency, instrumentality, municipality, or governmental or public subdivision, district, corporation, commission, board, council, or authority of whatsoever kind, created for public purposes by or pursuant to the laws of any state, provided that the bonds or other interest bearing obligations are at the time of purchase rated among the highest three quality categories, not applicable to bonds or other interest bearing obligations in default as to principal, used by a nationally recognized rating agency for rating the quality of similar bonds or other interest bearing obligations, and are not rated lower by any other such agency.

Sec. 3. Minnesota Statutes 1989 Supplement, section 110.70, is amended to read:

110.70 [APPLICATION.]

Nothing in sections 110.55 to 110.69 shall amend, alter, supersede, or otherwise change the provisions set forth in section 110.13. The provisions of sections 110.55 to 110.69 shall in no manner apply to public waters of an area of more than 10,000 acres, situated wholly or partially within counties now or hereafter having a population of more than 450,000 and a ~~net tax capacity~~ *market value* of more than ~~\$450,000,000~~ *\$1,860,000,000*, including money and credits, and in which is situated a city of the first class within a distance of 20 miles from the body of public water; and, as to such public waters, nothing contained in sections 110.55 to 110.69 shall be construed to authorize the diversion of any water from any stream, river, or lake located in any county adjoining or abutting in part upon the county wherein a major portion of such public waters is located.

Sec. 4. Minnesota Statutes 1989 Supplement, section 118.12, is amended to read:

118.12 [INVESTMENT OF TOWN FUNDS.]

When the town board of any town in this state, by a unanimous resolution, deem it advisable, such town board may invest such amount of funds in such town treasury as will not, in the opinion of such board, be needed by such town during the fiscal year, in any of the bonds of any county, city, town, school district, drainage or other district created pursuant to law for public purposes in Minnesota, Iowa, Wisconsin, and North and South Dakota, or in bonds of the United States of America, or in the bonds of any city, county, town, school district, drainage or other district created pursuant to law for public purposes in the United States, containing at least 3,500 inhabitants, provided that the total bonded indebtedness of any such municipality or district shall not exceed ten percent of its ~~net tax capacity~~ *assessed value*, if not located in Minnesota, or 2.5 percent of its *taxable market value*, if located in Minnesota.

Sec. 5. Minnesota Statutes 1989 Supplement, section 163.04, subdivision 3, is amended to read:

Subd. 3. [EXPENDITURES ON BRIDGES WITHIN CERTAIN CITIES.] When the council of any statutory city or city of the third or fourth class may determine that it is necessary to build or improve any bridge or bridges, including approaches thereto, and any dam or retaining works connected therewith, upon or forming a part of streets or highways either wholly or partly within its limits, the county board shall appropriate one-half of the money as may be necessary therefor from the county road and bridge fund, not exceeding during any year one-half the amount of taxes paid into the county road and bridge fund during the preceding year, on property within the corporate limits of the city. The appropriation shall be made upon the petition of the council, which petition shall be filed by the council with the county board prior to the fixing by the board of the annual county tax levy. The county board shall determine the plans and specifications, shall let all necessary contracts, shall have charge of construction, and upon its request, warrants in payment thereof shall be issued by the county auditor, from time to time, as the construction work proceeds. Any unpaid balance may be paid or advanced by the city. On petition of the council, the appropriations of the county board, during not to exceed three successive years, may be made to apply on the construction of the same items and to repay any money advanced by the city in the construction thereof. None of the provisions of this section shall be construed to be mandatory as applied to any city whose ~~net tax capacity~~ *market value* exceeds \$500 \$2,100 per capita of its population.

Sec. 6. Minnesota Statutes 1989 Supplement, section 163.06, subdivision 6, is amended to read:

Subd. 6. [EXPENDITURE IN CERTAIN COUNTIES.] In any county having not less than 95 nor more than 105 full and fractional townships, and having a ~~net tax capacity~~ *market value* of not less than \$3,000,000 \$12,000,000 nor more ~~\$5,000,000~~ *than \$21,000,000*, exclusive of money and credits, the county board, by resolution, may expend the funds provided in subdivision 4 in any organized or unorganized township or portion thereof in such county.

Sec. 7. Minnesota Statutes 1989 Supplement, section 165.10, subdivision 1, is amended to read:

Subdivision 1. [CERTAIN COUNTIES MAY ISSUE AND SELL.] The county board of any county having no outstanding road and bridge bonds may issue and sell county road bonds in an amount not exceeding ~~one-half~~ *of one 0.12089* percent of the ~~net tax capacity~~ *market value* of the taxable property within the county exclusive of money and credits, for the purpose of constructing, reconstructing, improving, or maintaining any bridge or bridges on any highway under its jurisdiction, without submitting the matter to a vote of the electors of the county.

Sec. 8. Minnesota Statutes 1989 Supplement, section 365.025, subdivision 4, is amended to read:

Subd. 4. [~~BIG BUYS MAJOR PURCHASES: NOTICE, PETITION, ELECTION.~~] Before buying anything under subdivision 2 that costs more than ~~one 0.24177~~ percent of the ~~net tax capacity~~ *market value* of the town, the town must follow this subdivision.

The town must publish in its official newspaper the board's resolution to pay for the property over time. Then a petition for an election on the contract may be filed with the clerk. The petition must be filed within ten

days after the resolution is published. To require the election the petition must be signed by a number of voters equal to ten percent of the voters at the last regular town election. The contract then must be approved by a majority of those voting on the question. The question may be voted on at a regular or special election.

Sec. 9. Minnesota Statutes 1989 Supplement, section 368.01, subdivision 23, is amended to read:

Subd. 23. [FINANCING PURCHASE OF CERTAIN EQUIPMENT.] The town board of supervisors may issue certificates of indebtedness within existing debt limits for the purpose of purchasing fire or police equipment or ambulance equipment or street construction or maintenance equipment. Such certificates shall be payable in not more than five years and shall be issued on such terms and in such manner as the board may determine. If the amount of the certificates to be issued to finance any such purchase exceeds ~~one 0.24177~~ percent of the ~~net tax capacity market value~~ of the town, excluding money and credits, they shall not be issued for at least ten days after publication in the official newspaper of a town board resolution determining to issue them; and if before the end of that time, a petition asking for an election on the proposition signed by voters equal to ten percent of the number of voters at the last regular town election is filed with the clerk, such certificates shall not be issued until the proposition of their issuance has been approved by a majority of the votes cast on the question at a regular or special election. A tax levy shall be made for the payment of the principal and interest on such certificates as in the case of bonds.

Sec. 10. Minnesota Statutes 1989 Supplement, section 368.44, is amended to read:

368.44 [DISSOLUTION OF CERTAIN TOWNS; GROUNDS.]

When the voters residing within a duly organized town in any county in this state having more than 85 congressional townships of land and having a ~~net tax capacity market value~~ of not less than ~~\$5,000,000~~ \$21,000,000 nor more than ~~\$12,000,000~~ \$50,000,000 have failed to elect any town officials for more than three years continuously, or the town has failed and omitted to exercise any of the powers and functions of a town, as provided by law, which facts, or any of them, may be found and determined by the resolution of the county board of the county in which the town is located, according to the official records in the office of the auditor of the county, the county board by resolution duly adopted may declare any such town, naming it, duly dissolved and no longer entitled to exercise any of the powers or functions of a town.

Sec. 11. Minnesota Statutes 1989 Supplement, section 368.47, is amended to read:

368.47 [TOWNS MAY BE DISSOLVED.]

When the voters residing within a town in this state have failed to elect any town officials for more than ten years continuously, or the town has failed and omitted for a period of ten years to exercise any of the powers and functions of a town, as provided by law, or when the ~~net tax capacity market value~~ of any town drops to less than ~~\$40,000~~ \$165,000, or when the tax delinquency of any such town, exclusive of taxes that are delinquent or unpaid by reason of taxes being contested in proceedings for the enforcement of taxes, amounts to ~~50~~ 12 percent of its ~~net tax capacity market~~

value, or where the state or federal government has acquired title to 50 percent of the real estate of such town, which facts, or any of them, may be found and determined by the resolution of the county board of the county in which the town is located, according to the official records in the office of the county auditor, the county board by resolution may declare any such town, naming it, duly dissolved and no longer entitled to exercise any of the powers or functions of a town. In counties having a population according to the 1930 federal census of not more than 16,000 nor less than 15,000 and having not more than 77 nor less than 75 full or fractional congressional townships, and in counties having a population according to the 1930 federal census of not more than 28,000 nor less than 27,000 and having not more than 91 nor less than 90 full or fractional congressional townships, and in counties having a population according to the 1930 federal census of not more than 210,000 nor less than 200,000 and having not more than 202 nor less than 200 full or fractional congressional townships, before any such dissolution shall become effective the voters of the town shall express their approval or disapproval of such dissolution. The clerk of the town shall, upon a petition signed by a majority of the registered voters of the town, filed with the clerk at least 60 days before any regular or special town election thereof, give notice at the same time and in the same manner of such election that the question of dissolution of such town will be submitted for determination at such election. At such election when so petitioned for the question shall be voted upon by a separate ballot, the terms of which shall be either "for dissolution" or "against dissolution," which ballot shall be deposited in a separate ballot box to be provided and the result of such voting shall be duly canvassed, certified, and returned in the same manner and at the same time as other facts and returns of the election. If a majority of the votes cast at the election shall be for dissolution, such town shall be dissolved; and, if a majority of the votes cast at the election shall be against dissolution, the town shall not be dissolved.

When a town is dissolved under the provisions of sections 368.47 to 368.49 the county shall acquire title to any telephone company or any other business being conducted by such town and such business shall be operated by the board of county commissioners until such time as a sale thereof can be made; provided that the subscribers or patrons of such businesses shall have the first opportunity of purchase. If such dissolved town has any outstanding indebtedness chargeable to such business, the auditor of the county wherein such dissolved town is located shall levy a tax against the property situated in the dissolved town for the purpose of paying the indebtedness as it becomes due.

Sec. 12. Minnesota Statutes 1989 Supplement, section 370.01, is amended to read:

370.01 [CHANGE OF BOUNDARIES; CREATION OF NEW COUNTIES.]

The boundaries of counties may be changed by taking territory from a county and attaching it to an adjoining county, and new counties may be established out of territory of one or more existing counties. A new county shall contain at least 400 square miles, have at least 2,000 inhabitants, and have a ~~net tax capacity~~ *market value* of at least ~~\$4,000,000~~ *\$17,000,000*. An existing county shall not be reduced in area below 400 square miles, have less than 2,000 inhabitants, or have a ~~net tax capacity~~ *market value* of less than ~~\$4,000,000~~ *\$17,000,000*.

In existing counties having an area of more than 3,500 and less than 6,000 square miles, boundaries may be changed and new counties established having a ~~net tax capacity~~ *market value* of at least ~~\$2,500,000~~ \$10,000,000.

No change in the boundaries of any county having an area of more than 2,500 square miles, whether by the creation of a new county, or otherwise, shall detach from the existing county any territory within 12 miles of the county seat.

Sec. 13. Minnesota Statutes Second 1989 Supplement, section 373.40, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given.

(a) "Bonds" means an obligation as defined under section 475.51.

(b) "Capital improvement" means acquisition or betterment of public lands, buildings, or other improvements within the county for the purpose of a county courthouse, administrative building, health or social service facility, correctional facility, jail, law enforcement center, hospital, morgue, library, park, and roads and bridges. An improvement must have an expected useful life of five years or more to qualify. "Capital improvement" does not include light rail transit or any activity related to it or a recreation or sports facility building (such as, but not limited to, a gymnasium, ice arena, racquet sports facility, swimming pool, exercise room or health spa), unless the building is part of an outdoor park facility and is incidental to the primary purpose of outdoor recreation.

(c) "Commissioner" means the commissioner of trade and economic development.

(d) "Metropolitan county" means a county located in the seven-county metropolitan area as defined in section 473.121 or a county with a population of 90,000 or more.

(e) "Population" means the population established by the most recent of the following (determined as of the date the resolution authorizing the bonds was adopted):

(1) the federal decennial census,

(2) a special census conducted under contract by the United States Bureau of the Census, or

(3) a population estimate made either by the metropolitan council or by the state demographer under section 116K.04, subdivision 4, clause (10).

(f) "Tax capacity" means total taxable ~~tax capacity~~ *market value*, but does not include captured ~~tax capacity~~ *market value*.

Sec. 14. Minnesota Statutes 1989 Supplement, section 383.06, is amended to read:

383.06 [PAYMENT OF WARRANTS; ACCOUNTS; HOW KEPT; CERTIFICATES OF INDEBTEDNESS TO RETIRE OUTSTANDING WARRANTS.]

The county treasurer shall pay warrants only from the fund from which they are legally payable. Payments under any special contract shall be kept separate under the name of such contract, and under the general title of

the fund from which such payment may be legally made. The treasurer need not keep a specific appropriations account separately, but shall keep a general appropriations account.

~~In any county having a net tax capacity of not less than \$150,000,000, exclusive of money and credits, the A county board may, by resolution, issue and sell as many certificates of indebtedness as may be needed in anticipation of the collection of taxes levied for any fund named in the tax levy for the purpose of raising money for such fund, but the certificates outstanding for any such separate funds shall not at any time exceed 50 percent of the amount of taxes previously levied for such fund remaining uncollected, and no certificate shall be issued to become due and payable later than December 31 of the year succeeding the year in which the tax levy was made, and the certificates shall not be sold for less than par and accrued interest and shall not bear a greater rate of interest than six percent per annum. No such certificates shall be issued prior to the beginning of the fiscal year for which the taxes so anticipated were intended, except that when taxes shall have been levied for the purpose of paying a deficit in any such fund carried over from any previous year or years certificates of indebtedness in anticipation of collection of the taxes levied for such deficit may be issued at any time after such levy shall have been finally made and certified to the county auditor. Each certificate shall state upon its face for which fund the proceeds thereof shall be used, the total amount of certificates so issued, and the whole amount embraced in the levy for that particular purpose. They shall be numbered consecutively, be in denominations of \$100 or a multiple thereof, may have interest coupons attached, shall be otherwise of such form and terms, and may be made payable at such place, as will best aid in their negotiation, and the proceeds of the tax assessed and collected on account of the fund and the full faith and credit of the county shall be irrevocably pledged for the redemption and payment of the certificates so issued. Such certificates shall be payable primarily from the moneys derived from the levy for the years against which such certificates were issued, but shall constitute unlimited general obligations of the county. Moneys derived from the sale of such certificates shall be credited to the fund or funds the taxes for which are so anticipated.~~

Sec. 15. Minnesota Statutes 1989 Supplement, section 385.31, is amended to read:

385.31 [PAYMENT OF COUNTY ORDERS OR WARRANTS.]

When any order or warrant drawn on the treasurer is presented for payment, if there is money in the treasury for that purpose, the county treasurer shall redeem the same, and write across the entire face thereof the word "redeemed," the date of the redemption, and the treasurer's official signature. If there is not sufficient funds in the proper accounts to pay such orders they shall be numbered and registered in their order of presentation, and proper endorsement thereof shall be made on such orders and they shall be entitled to payment in like order. Such orders shall bear interest at not to exceed the rate of six percent per annum from such date of presentation. The treasurer, as soon as there is sufficient money in the treasury, shall appropriate and set apart a sum sufficient for the payment of the orders so presented and registered, and, if entitled to interest, issue to the original holder a notice that interest will cease in 30 days from the date of such notice; and, if orders thus entitled to priority of payment are not then presented, the next in order of registry may be paid until such orders are presented. No interest shall be paid on any order, except upon

a warrant drawn by the county auditor for that purpose, giving the number and the date of the order on account of which the interest warrant is drawn. In any county in this state now or hereafter having a ~~net tax capacity~~ *market value* of all taxable property, exclusive of money and credits, of not less than ~~\$250,000,000~~ *\$1,033,000,000*, the county treasurer, in order to save payment of interest on county warrants drawn upon a fund in which there shall be temporarily insufficient money in the treasury to redeem the same, may borrow temporarily from any other fund in the county treasury in which there is a sufficient balance to care for the needs of such fund and allow a temporary loan or transfer to any other fund, and may pay such warrants out of such funds. Any such money so transferred and used in redeeming such county warrants shall be returned to the fund from which drawn as soon as money shall come in to the credit of such fund on which any such warrant was drawn and paid as aforesaid. Any county operating on a cash basis may use a combined form of warrant or order and check, which, when signed by the chair of the county board and by the auditor, is an order or warrant for the payment of the claim, and, when countersigned by the county treasurer, is a check for the payment of the amount thereof.

Sec. 16. Minnesota Statutes 1989 Supplement, section 386.34, is amended to read:

386.34 [DEPUTIES, SALARIES.]

The county board of each county having a population of less than 75,000, may by written order to be filed in the office of the county auditor allow one deputy county recorder in such county compensation for services as such deputy, to be fixed by the board and specified in said order. In each county containing less than 15 full and fractional congressional townships, and having more than 16,000 and less than 19,000 inhabitants according to the 1940 federal census, and having a ~~net tax capacity~~ *market value* of less than ~~\$7,000,000~~ *\$29,000,000*, exclusive of moneys and credits, the county board may by written order to be filed in the office of the county auditor allow one deputy county recorder in such county compensation for services as such deputy not exceeding \$1,800 per year.

Sec. 17. Minnesota Statutes 1989 Supplement, section 412.081, subdivision 1, is amended to read:

412.081 [SEPARATION FROM TOWN.]

Subdivision 1. [ELECTION, ASSESSMENT DISTRICTS.] Any statutory city hereafter organized shall be constituted an election and assessment district separate from the town in which it lies immediately upon incorporation, except that if the incorporation occurs between March 15 and July 1 the town assessor shall assess the property in the city that year and the city assessor shall not assume duties until the following year. Where the town assessor makes the assessment, the city shall pay such proportion of the cost of the assessment as its net tax capacity bears to the ~~assessed valuation~~ *net tax capacity* of the town, including the city.

Sec. 18. Minnesota Statutes 1989 Supplement, section 412.221, subdivision 2, is amended to read:

Subd. 2. [CONTRACTS.] The council shall have power to make such contracts as may be deemed necessary or desirable to make effective any power possessed by the council. The city may purchase personal property through a conditional sales contract and real property through a contract for deed under which contracts the seller is confined to the remedy of

recovery of the property in case of nonpayment of all or part of the purchase price, which shall be payable over a period of not to exceed five years. When the contract price of property to be purchased by contract for deed or conditional sales contract exceeds ~~one~~ *0.24177* percent of the ~~net tax capacity~~ *market value* of the city, the city may not enter into such a contract for at least ten days after publication in the official newspaper of a council resolution determining to purchase property by such a contract; and, if before the end of that time a petition asking for an election on the proposition signed by voters equal to ten percent of the number of voters at the last regular city election is filed with the clerk, the city may not enter into such a contract until the proposition has been approved by a majority of the votes cast on the question at a regular or special election.

Sec. 19. Minnesota Statutes 1989 Supplement, section 430.102, subdivision 2, is amended to read:

Subd. 2. [COUNCIL APPROVAL; SPECIAL TAX LEVY LIMITATION.] The council shall receive and consider the estimate required in subdivision 1 and the items of cost after notice and hearing before it or its appropriate committee as it considers necessary or expedient, and shall approve the estimate, with necessary amendments. The amounts of each item of cost estimated are then appropriated to operate, maintain, and improve the pedestrian mall during the next fiscal year. The amount of the special tax to be charged under subdivision 1, clause (3), must not, however, exceed ~~50 cents per \$100~~ *0.12089* percent of ~~net tax capacity~~ *market value* of taxable property in the district. The council shall make any necessary adjustment in costs of operating and maintaining the district to keep the amount of the tax within this limitation.

Sec. 20. Minnesota Statutes 1989 Supplement, section 465.04, is amended to read:

465.04 [ACCEPTANCE OF GIFTS.]

Cities of the second, third, or fourth class, having at any time a ~~net tax capacity~~ *market value* of not more than ~~\$10,000,000~~ *\$41,000,000*, exclusive of money and credits, as officially equalized by the commissioner of revenue, either under home rule charter or under the laws of this state, in addition to all other powers possessed by them, hereby are authorized and empowered to receive and accept gifts and donations for the use and benefit of such cities and the inhabitants thereof upon terms and conditions to be approved by the governing bodies of such cities; and such cities are authorized to comply with and perform such terms and conditions, which may include payment to the donor or donors of interest on the value of the gift at not exceeding five percent per annum payable annually or semiannually, during the remainder of the natural life or lives of such donor or donors.

Sec. 21. Minnesota Statutes 1989 Supplement, section 471.24, is amended to read:

471.24 [STATUTORY CITIES AND TOWNS MAY JOIN IN MAINTAINING CEMETERIES.]

Where a statutory city or town owns and maintains an established cemetery or burial ground, either within or without the municipal limits, the statutory city or town may, by mutual agreement with contiguous statutory cities and towns, each having a ~~net tax capacity~~ *market value* of not less than ~~\$500,000~~ *\$2,000,000*, join together in the maintenance of such public cemetery or burial ground for the use of the inhabitants of each of such

municipalities; and each such municipality is hereby authorized, by action of its council or governing body, to levy a tax or make an appropriation for the support and maintenance of such cemetery or burial ground; provided, the amount thus levied or appropriated by each municipality shall not exceed a total of \$10,000 in any one year.

Sec. 22. Minnesota Statutes 1989 Supplement, section 471.73, is amended to read:

471.73 [ACCEPTANCE OF PROVISIONS.]

In the case of any city within the class specified in 471.72 having a ~~net tax capacity~~ *market value*, as defined in section 471.72, in excess of ~~\$9,000,000~~ *\$37,000,000*; and in the case of any statutory city within such class having a ~~net tax capacity~~ *market value*, as defined in section 471.72, of less than ~~\$1,100,000~~ *\$5,000,000*; and in the case of any statutory city within such class which is governed by Laws 1933, chapter 211, or Laws 1937, chapter 356; and in the case of any statutory city within such class which is governed by Laws 1929, chapter 208, and has a ~~net tax capacity~~ *market value* of less than ~~\$20,000,000~~ *\$83,000,000*; and in the case of any school district within such class having a ~~net tax capacity~~ *market value*, as defined in section 471.72, of more than ~~\$13,000,000~~ *\$54,000,000*; and in the case of all towns within said class; sections 471.71 to 471.83 apply only if the governing body of the city or statutory city, the board of the school district, or the town board of the town shall have adopted a resolution determining to issue bonds under the provisions of sections 471.71 to 471.83 or to go upon a cash basis in accordance with the provisions thereof.

Sec. 23. Minnesota Statutes 1989 Supplement, section 475.58, subdivision 2, is amended to read:

Subd. 2. [FUNDING, REFUNDING.] Any city, town or school district whose outstanding gross debt, including all items referred to in section 475.51, subdivision 4, exceed in amount ~~6-2/3~~ *1.75* percent of its ~~net tax capacity~~ *market value* may issue bonds under this subdivision for the purpose of funding or refunding such indebtedness or any part thereof. A list of the items of indebtedness to be funded or refunded shall be made by the recording officer and treasurer and filed in the office of the recording officer. The initial resolution of the governing body shall refer to this subdivision as authority for the issue, state the amount of bonds to be issued and refer to the list of indebtedness to be funded or refunded. This resolution shall be published once each week for two successive weeks in a legal newspaper published in the municipality or if there be no such newspaper, in a legal newspaper published in the county seat. Such bonds may be issued without the submission of the question of their issue to the electors unless within ten days after the second publication of the resolution a petition requesting such election signed by ten or more voters who are taxpayers of the municipality, shall be filed with the recording officer. In event such petition is filed, no bonds shall be issued hereunder unless authorized by a majority of the electors voting on the question.

Sec. 24. Minnesota Statutes 1989 Supplement, section 475.73, subdivision 1, is amended to read:

Subdivision 1. Obligations sold under the provisions of section 475.60 may be purchased by the state board of investment if the obligations meet the requirements of section 11A.24, subdivision 2, upon the approval of the attorney general as to form and execution of the application therefor.

and under rules as the board may specify, and the state board shall have authority to purchase the same to an amount not exceeding ~~45~~ 3.62662 percent of the ~~net tax capacity~~ market value of the taxable property of the municipality, according to the last preceding assessment. The obligations shall not run for a shorter period than one year, nor for a longer period than 30 years and shall bear interest at a rate to be fixed by the state board but not less than two percent per annum. Forthwith upon the delivery to the state of Minnesota of any obligations issued by virtue thereof, the commissioner of finance shall certify to the respective auditors of the various counties wherein are situated the municipalities issuing the same, the number, denomination, amount, rate of interest and date of maturity of each obligation.

Sec. 25. Minnesota Statutes 1989 Supplement, section 505.173, subdivision 1, is amended to read:

Subdivision 1. [CERTAIN DEFECTS.] In all cases where the plats, or what purports to be plats, of any portion of the lands contained within any additions to or subdivisions of any town or city, situated in any county having less than 15 full and fractional congressional townships, having less than 15,000 inhabitants according to the 1940 federal census, and having an ~~net tax capacity~~ assessed value of more than \$7,500,000 and less than \$8,500,000, exclusive of money and credits which have been executed and filed in an office of any county recorder previous to January 1, 1915, (1) fail to identify or correctly describe the land to be so platted or to show correctly upon their face the tract of land intended or purported to be platted thereby, or (2) are defective by reason of the plat and the description of the land purported to be so platted thereby being inconsistent or incorrect, or (3) there exists a defect in the execution of said plats on the part of the grantors thereof, the governing board or council of the municipality containing land so platted or purported to be so platted may authorize, within two years from April 21, 1951, referring by the record book and page of such plat or plats in the office of the county recorder to the plat or plats to be corrected, the making of one or more plats which shall correctly show on the face thereof and by description of the land intended to be platted, which plat or plats may vary from the original plats in description as to lots and blocks to suit the best purpose and secure the best results. Such plat or plats, in a declaration thereon, shall recite such resolution and shall identify each separate tract of land described therein with such tract of land in the purported plat or plats intended to be corrected thereby, and shall be certified by the proper officers of the municipality as to authorization and by an engineer or surveyor as to correctness, and the signatures of such persons shall be acknowledged in like manner as a deed.

Sec. 26. [EFFECTIVE DATE.]

Section 23 is effective for bonds issued after the date of enactment of this act. The remainder of this article is effective the day following final enactment of this act.

Delete the title and insert:

“A bill for an act relating to taxation; recodifying and providing for the administration of certain taxes; providing certain rights and remedies to taxpayers; making technical corrections and changes in the administration, collection, and enforcement of taxes, aids, credits, and refunds; creating certain tax exemptions; transferring certain powers and duties; imposing

penalties; amending Minnesota Statutes 1988, sections 60A.198, by adding a subdivision; 69.771, subdivision 3; 69.772, subdivision 2a; 69.774, subdivision 1; 116K.04, subdivision 4; 168A.30, subdivision 1; 270.07, by adding a subdivision; 270.65; 270.67, subdivisions 1 and 2; 270.68, subdivisions 1 and 3; 270.69, subdivisions 2, 3, 7, 8, and by adding a subdivision; 270.70, subdivisions 1, 2, 4, 8, and by adding subdivisions; 270.701, by adding a subdivision; 270.709, subdivision 1; 270A.03, subdivisions 2, 5, and 7; 270A.04, subdivision 2; 270A.08, subdivision 2; 271.12; 271.19; 273.42, subdivision 1; 274.01, subdivision 1; 275.54, by adding a subdivision; 277.15; 279.03, subdivision 2, and by adding a subdivision; 279.37, subdivision 1a; 282.01, subdivision 4; 282.261, subdivision 2; 287.21, subdivision 2; 289A.11, by adding a subdivision; 290.05, subdivision 4; 290.17, subdivision 5; 290.39, subdivision 5; 290.49, subdivision 3; 290.92, subdivisions 6a, 12, 23, and 24; 290.93, subdivision 1; 290A.03, subdivision 3; 290A.04, subdivision 1; 290A.07, subdivision 3; 290A.10; 290A.19; 296.06, subdivision 2; 296.18, subdivisions 2 and 3; 296.25; 297A.01, subdivision 8; 297A.03, subdivision 2; 297A.041; 297A.14, subdivision 1; 297A.18; 297A.211, subdivision 3; 297A.25, subdivision 31; 297A.255, by adding a subdivision; 297B.035, subdivision 1; 299F21, subdivision 1; 349.212, by adding a subdivision; 469.043, subdivision 5; 469.059, subdivision 11; 477A.011, by adding a subdivision; 524.3-301; 524.3-1001; Minnesota Statutes 1989 Supplement, sections 38.18; 50.14, subdivision 4; 69.021, subdivision 6; 110.70; 118.12; 163.04, subdivision 3; 163.06, subdivision 6; 165.10, subdivision 1; 168.013, subdivision 5; 168A.10, subdivision 1; 270.06; 270.10, subdivision 1a; 270.69, subdivision 11; 270.73, subdivision 1; 270B.07, by adding a subdivision; 272.16; 273.01; 273.11, subdivision 1; 279.01, subdivision 1; 282.01, subdivision 1; 290.39, subdivision 4; 290.92, subdivision 4c; 290.9201, subdivisions 7, 8, and by adding a subdivision; 290.9705, subdivision 4; 297A.17; 298.28, subdivision 4; 365.025, subdivision 4; 368.01, subdivision 23; 368.44; 368.47; 370.01; 383.06; 385.31; 386.34; 412.081, subdivision 1; 412.221, subdivision 2; 430.102, subdivision 2; 465.04; 469.177, subdivision 1a; 471.24; 471.73; 475.58, subdivision 2; 475.73, subdivision 1; 477A.011, subdivision 15; 505.173, subdivision 1; Minnesota Statutes Second 1989 Supplement, sections 10A.31, subdivision 5; 60A.15, subdivision 1; 273.124, subdivision 6; 273.13, subdivision 25; 273.1391, subdivision 2; 273.1398, subdivisions 1, 2, 5, 5a, and 6; 274.14; 274.175; 275.07, subdivision 3; 275.50, subdivision 5; 275.51, subdivisions 3h and 6; 277.01, subdivision 1; 277.02; 277.05; 277.06; 287.29, subdivision 1; 290.17, subdivision 2; 290.92, subdivision 4b; 290A.04, subdivisions 2h and 2i; 290A.045, subdivision 6; 290A.07, subdivision 2a; 297A.01, subdivision 3; 349.212, subdivision 4; 373.40, subdivision 1; 469.190, subdivisions 1, 2, and 3; 473F08, subdivision 8a; 477A.013, subdivision 3; Laws 1989, chapter 28, section 24; Laws 1989, First Special Session chapter 1, articles 3, section 35; and 9, section 86; proposing coding for new law in Minnesota Statutes, chapter 270; proposing coding for new law as Minnesota Statutes, chapter 289A; repealing Minnesota Statutes 1988, sections 270.08; 270.10, subdivision 4; 270.651; 272.70; 290.05, subdivision 5; 290.067, subdivision 5; 290.23, subdivision 15; 290.281, subdivision 5; 290.29; 290.37, as amended; 290.39, as amended; 290.391; 290.40; 290.41; 290.42; 290.43; 290.44; 290.45; 290.46; 290.47; 290.49; 290.50, as amended; 290.52; 290.521; 290.522; 290.523, as amended; 290.53, subdivisions 1, 1a, 2, 2a, 3, 3a, 4, 5, 7, 8, 9, 10, and 11; 290.54; 290.56; 290.57; 290.58; 290.59; 290.611, subdivision 5; 290.612; 290.65; 290.92, subdivisions 6, 7, 8, 11, 13, 14, 15, and 18; 290.923, subdivision

7; 290.93; 290.931; 290.932; 290.933; 290.934, as amended; 290.935; 290.936; 290.974; 290A.06; 290A.11, subdivisions 1, 2, 3, and 4; 290A.111; 290A.112, as amended; 290A.12; 291.09; 291.11; 291.131; 291.14; 291.15, subdivisions 1 and 3; 291.215, subdivisions 2 and 3; 291.31, subdivisions 1 and 2; 291.32; 296.027; 296.16, subdivision 3; 296.17, subdivision 13; 296.18, subdivisions 3a and 7; 296.24; 297A.08; 297A.121; 297A.15, subdivision 3; 297A.26, subdivisions 1 and 4; 297A.27; 297A.275; 297A.29; 297A.30; 297A.31; 297A.32; 297A.33, subdivisions 1, 3, 4, and 5; 297A.34; 297A.35; 297A.37; 297A.39, subdivisions 1, 2, 2a, 3, 4, 5, 7, and 8; 297A.40; 297A.41; 297A.42; 297A.431; 297A.44, subdivision 2; Minnesota Statutes 1989 Supplement, sections 290.9201, subdivisions 4, 5, 9, and 10; 290.9705, subdivision 2; 290A.11, subdivision 1a; 297A.20; Minnesota Statutes Second 1989 Supplement, sections 270.77; and 290.38."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred the following appointment as reported in the Journal for March 6, 1989:

BOARD ON JUDICIAL STANDARDS

Charlotte Anderson

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Spear from the Committee on Judiciary, to which was referred the following appointment as reported in the Journal for March 16, 1989:

HARMFUL SUBSTANCE COMPENSATION BOARD

Debra McBride

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Spear from the Committee on Judiciary, to which was referred the following appointment as reported in the Journal for February 22, 1990:

BOARD ON JUDICIAL STANDARDS

Leone Altman

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Spear from the Committee on Judiciary, to which was referred the following appointment as reported in the Journal for March 8, 1990:

BOARD ON JUDICIAL STANDARDS

Robert W. Johnson

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

SECOND READING OF SENATE BILLS

S.F. No. 1653 was read the second time.

MOTIONS AND RESOLUTIONS

Mr. Spear moved that the name of Mr. Merriam be added as a co-author to S.F. No. 2134. The motion prevailed.

Messrs. Knaak, Laidig and Dahl introduced—

Senate Resolution No. 171: A Senate resolution congratulating the White Bear High School Hockey Team for winning the Section 3 Trophy and the State Consolation Trophy.

Referred to the Committee on Rules and Administration.

Mr. Moe, R.D. moved that H.F. No. 2480 be withdrawn from the Committee on Taxes and Tax Laws and re-referred to the Committee on Rules and Administration, for comparison with S.F. No. 1653, now on General Orders. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate proceed to the Order of Business of Introduction and First Reading of Senate Bills. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Frederick introduced—

S.F. No. 2614: A bill for an act relating to taxation; income; providing a basis adjustment; providing a subtraction from taxable net income; amending Minnesota Statutes 1988, section 290.01, by adding a subdivision; and Minnesota Statutes 1989 Supplement, section 290.01, subdivision 19f.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Lessard; Davis; Moe, R.D. and Merriam introduced—

S.F. No. 2615: A bill for an act relating to finance; appropriating money for wetlands mapping and digitization.

Referred to the Committee on Finance.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Dahl moved that S.F. No. 824 be withdrawn from the Committee on Taxes and Tax Laws and re-referred to the Committee on Finance. The motion prevailed.

MEMBERS EXCUSED

Mr. Belanger was excused from the Session of today. Mr. Samuelson was excused from the Session of today from 1:00 to 2:00 p.m. Mr. Hughes was excused from the Session of today from 1:00 to 2:30 p.m. Mr. Luther was excused from the Session of today from 1:05 to 2:50 p.m. Mr. Moe, D.M. was excused from the Session of today from 1:00 to 4:00 p.m. Mr. Metzen was excused from the Session of today from 2:30 to 4:00 p.m. Mr. Dahl was excused from the Session of today from 2:30 to 3:30 p.m. Mr. Pehler was excused from the Session of today from 3:25 to 4:40 p.m. Mr. Freeman was excused from the Session of today from 3:00 to 5:00 p.m. Mr. Lessard was excused from the Session of today at 2:50 p.m. Mr. Solon was excused from the Session of today at 3:00 p.m. Mr. Novak was excused from the Session of today at 2:50 p.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Monday, March 26, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTY-SEVENTH DAY

St. Paul, Minnesota, Monday, March 26, 1990

The Senate met at 12:00 noon and was called to order by the President.

CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Ralph Johnson.

The members of the Senate gave the pledge of allegiance to the flag of the United States of America.

The roll was called, and the following Senators answered to their names:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R. D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R. W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the reports pertaining to appointments. The motion prevailed.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2393 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2393	2261				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2393 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2393 and insert the language after the enacting clause of S.F. No. 2261, the first engrossment; further, delete the title of H.F. No. 2393 and insert the title of S.F. No. 2261, the first engrossment.

And when so amended H.F. No. 2393 will be identical to S.F. No. 2261, and further recommends that H.F. No. 2393 be given its second reading and substituted for S.F. No. 2261, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2025 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2025	1982				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2401 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2401	2400				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2401 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2401 and insert the language after the enacting clause of S.F. No. 2400, the second engrossment; further, delete the title of H.F. No. 2401 and insert the title of S.F. No. 2400, the second engrossment.

And when so amended H.F. No. 2401 will be identical to S.F. No. 2400,

and further recommends that H.F. No. 2401 be given its second reading and substituted for S.F. No. 2400, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2124 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2124	2074				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2124 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2124 and insert the language after the enacting clause of S.F. No. 2074, the first engrossment; further, delete the title of H.F. No. 2124 and insert the title of S.F. No. 2074, the first engrossment.

And when so amended H.F. No. 2124 will be identical to S.F. No. 2074, and further recommends that H.F. No. 2124 be given its second reading and substituted for S.F. No. 2074, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2350 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2350	2408				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1977 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File

be given its second reading and substituted for its companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1977	1880				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2462 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2462	2252				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2462 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2462 and insert the language after the enacting clause of S.F. No. 2252, the first engrossment; further, delete the title of H.F. No. 2462 and insert the title of S.F. No. 2252, the first engrossment.

And when so amended H.F. No. 2462 will be identical to S.F. No. 2252, and further recommends that H.F. No. 2462 be given its second reading and substituted for S.F. No. 2252, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2637 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2637	2514				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2704 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2704	2403				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2162 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2162	2114				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2162 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2162 and insert the language after the enacting clause of S.F. No. 2114, the first engrossment; further, delete the title of H.F. No. 2162 and insert the title of S.F. No. 2114, the first engrossment.

And when so amended H.F. No. 2162 will be identical to S.F. No. 2114, and further recommends that H.F. No. 2162 be given its second reading and substituted for S.F. No. 2114, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2474 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2474	2566				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2474 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2474 and insert the language after the enacting clause of S.F. No. 2566, the first engrossment; further, delete the title of H.F. No. 2474 and insert the title of S.F. No. 2566, the first engrossment.

And when so amended H.F. No. 2474 will be identical to S.F. No. 2566, and further recommends that H.F. No. 2474 be given its second reading and substituted for S.F. No. 2566, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2386 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2386	2270				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2386 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2386 and insert the language after the enacting clause of S.F. No. 2270, the first engrossment; further, delete the title of H.F. No. 2386 and insert the title of S.F. No. 2270, the first engrossment.

And when so amended H.F. No. 2386 will be identical to S.F. No. 2270, and further recommends that H.F. No. 2386 be given its second reading and substituted for S.F. No. 2270, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2042 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2042	1923				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2042 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2042 and insert the language after the enacting clause of S.F. No. 1923, the first engrossment; further, delete the title of H.F. No. 2042 and insert the title of S.F. No. 1923, the first engrossment.

And when so amended H.F. No. 2042 will be identical to S.F. No. 1923, and further recommends that H.F. No. 2042 be given its second reading and substituted for S.F. No. 1923, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Frank from the Committee on Economic Development and Housing, to which were referred the following appointments as reported in the Journal for January 9, 1989:

GREATER MINNESOTA CORPORATION BOARD OF DIRECTORS

Howard Fortier
Dr. Donald S. Fredrickson
D. Bruce Merrifield
Dale R. Olseth
Laurence L. Osterwise
Elroy Webster
May Yue

MINNESOTA HOUSING FINANCE AGENCY

Shirley Van Dyck

**MINNESOTA WORLD TRADE CENTER CORPORATION
BOARD OF DIRECTORS**

Arnold Aberman
Paul Rexford Thatcher

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Frank from the Committee on Economic Development and Housing, to which were referred the following appointments as reported in the Journal for March 8, 1990:

GREATER MINNESOTA CORPORATION BOARD OF DIRECTORS

William C. Norris
Francis J. Ryan
Glen Taylor

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Frank from the Committee on Economic Development and Housing, to which were referred the following appointments as reported in the Journal for February 12, 1990:

MINNESOTA HOUSING FINANCE AGENCY

Bruce Bakken

MINNESOTA PUBLIC FACILITIES AUTHORITY

Don Cole
Marilyn Krueger

**MINNESOTA WORLD TRADE CENTER CORPORATION
BOARD OF DIRECTORS**

Ronald Bosrock

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Frank from the Committee on Economic Development and Housing, to which was referred the following appointment as reported in the Journal for February 27, 1989:

MINNESOTA HOUSING FINANCE AGENCY

Maureen Bye

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2480 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2480	1653				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2480 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2480 and insert the language after the enacting clause of S.F. No. 1653, the second engrossment; further, delete the title of H.F. No. 2480 and insert the title of S.F. No. 1653, the second engrossment.

And when so amended H.F. No. 2480 will be identical to S.F. No. 1653, and further recommends that H.F. No. 2480 be given its second reading and substituted for S.F. No. 1653, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the

Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

SECOND READING OF HOUSE BILLS

H.F. Nos. 2393, 2025, 2401, 2124, 2350, 1977, 2462, 2637, 2704, 2162, 2474, 2386, 2042 and 2480 were read the second time.

MOTIONS AND RESOLUTIONS

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Calendar. The motion prevailed.

CALENDAR

H.F. No. 2500: A bill for an act relating to insurance; modifying the effective date of the statutory notice requirement for cancellation or non-renewal of individual life policies; amending Laws 1989, chapter 330, section 38.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Purfeerst
Anderson	Decker	Knaak	Metzen	Ramstad
Beckman	DeCramer	Kroening	Moe, D.M.	Reichgott
Belanger	Dicklich	Laidig	Moe, R.D.	Renneke
Benson	Flynn	Langseth	Morse	Schmitz
Berg	Frank	Lantry	Novak	Solon
Berglin	Frederick	Larson	Olson	Spear
Bernhagen	Frederickson, D.J.	Lessard	Pariseau	Storm
Bertram	Frederickson, D.R.	Luther	Pehler	Stumpf
Brandl	Freeman	Marty	Peterson, R.W.	Vickerman
Brataas	Gustafson	McGowan	Piepho	Waldorf
Chmielewski	Hughes	McQuaid	Piper	
Cohen	Johnson, D.E.	Mehrkens	Pogemiller	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1927 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1927: A bill for an act relating to traffic regulations; regulating approaches of vehicles to certain intersections; amending Minnesota Statutes 1988, section 169.20, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Decker	Johnson, D.E.	McQuaid	Piper
Beckman	DeCramer	Johnson, D.J.	Mehrrens	Pogemiller
Belanger	Dicklich	Knaak	Merriam	Ramstad
Benson	Diessner	Knutson	Metzen	Reichgott
Berglin	Flynn	Kroening	Moe, R. D.	Renneke
Bernhagen	Frank	Laidig	Morse	Samuelson
Bertram	Frederick	Lantry	Novak	Spear
Brandl	Frederickson, D.J.	Larson	Olson	Storm
Brataas	Frederickson, D.R.	Lessard	Pariseau	Stumpf
Chmielewski	Freeman	Luther	Pehler	Vickerman
Cohen	Gustafson	Marty	Peterson, R. W.	Waldorf
Davis	Hughes	McGowan	Piepho	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1913 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1913: A bill for an act relating to commerce; regulating dividends on claims in liquidation proceedings; regulating the lending practices of regulated lenders; specifying the loan fees and charges that may be imposed by regulated lenders; amending Minnesota Statutes 1988, sections 49.24, subdivision 9; 56.131, subdivisions 1, and 2; 56.14; and 325G.22, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Freeman	Marty	Piper
Anderson	Dahl	Hughes	McGowan	Pogemiller
Beckman	Davis	Johnson, D.E.	McQuaid	Ramstad
Belanger	Decker	Johnson, D.J.	Mehrrens	Reichgott
Benson	DeCramer	Knaak	Metzen	Renneke
Berg	Dicklich	Knutson	Moe, R. D.	Samuelson
Berglin	Diessner	Kroening	Morse	Solon
Bernhagen	Flynn	Laidig	Novak	Spear
Bertram	Frank	Lantry	Olson	Storm
Brandl	Frederick	Larson	Pariseau	Stumpf
Brataas	Frederickson, D.J.	Lessard	Pehler	Vickerman
Chmielewski	Frederickson, D.R.	Luther	Piepho	Waldorf

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1730 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1730: A bill for an act relating to commerce; requiring seating furniture in public occupancies to meet flammability and labeling standards; proposing coding for new law in Minnesota Statutes, chapter 299F.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.E.	Mehrkens	Reichgott
Anderson	Decker	Johnson, D.J.	Merriam	Renneke
Beckman	DeCramer	Knaak	Metzen	Samuelson
Belanger	Dicklich	Knutson	Moe, R.D.	Solon
Benson	Diessner	Kroening	Morse	Spear
Berg	Flynn	Laidig	Novak	Storm
Berglin	Frank	Langseth	Olson	Stumpf
Bernhagen	Frederick	Lantry	Pariseau	Vickerman
Bertram	Frederickson, D.J.	Larson	Pehler	Waldorf
Brandl	Frederickson, D.R.	Luther	Piepho	
Brataas	Freeman	Marty	Piper	
Chmielewski	Gustafson	McGowan	Pogemiller	
Dahl	Hughes	McQuaid	Ramstad	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F No. 2305 a Special Order to be heard immediately.

SPECIAL ORDER

H.F No. 2305: A bill for an act relating to agriculture; providing for light butter; amending Minnesota Statutes 1988, section 32.471, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 32.

Mr. Bertram moved to amend H.F No. 2305, as amended pursuant to Rule 49, adopted by the Senate March 22, 1990, as follows:

(The text of the amended House File is identical to S.F No. 2477.)

Page 5, line 6, delete "7 and section 8" and insert "8 and section 9"

The motion prevailed. So the amendment was adopted.

H.F No. 2305 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Gustafson	Marty	Pogemiller
Anderson	Davis	Hughes	McGowan	Ramstad
Beckman	Decker	Johnson, D.E.	McQuaid	Reichgott
Belanger	DeCramer	Johnson, D.J.	Mehrkens	Renneke
Benson	Dicklich	Knaak	Moe, R.D.	Samuelson
Berglin	Diessner	Knutson	Morse	Schmitz
Bernhagen	Flynn	Kroening	Novak	Spear
Bertram	Frank	Laidig	Olson	Storm
Brandl	Frederick	Langseth	Pariseau	Stumpf
Brataas	Frederickson, D.J.	Lantry	Peterson, R.W.	Vickerman
Chmielewski	Frederickson, D.R.	Larson	Piepho	Waldorf
Cohen	Freeman	Luther	Piper	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F No. 2318 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2318: A bill for an act relating to education; clarifying that statutes governing aversive and deprivation procedures apply to handicapped pupils; requiring that rules of the state board of education contain a list of prohibited procedures; amending Minnesota Statutes 1988, sections 127.43, subdivision 1; and 127.44.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.J.	Merriam	Ramstad
Anderson	Dicklich	Knaak	Metzen	Reichgott
Beckman	Diessner	Knutson	Moe, R.D.	Renneke
Belanger	Flynn	Kroening	Morse	Samuelson
Benson	Frank	Laidig	Novak	Schmitz
Berglin	Frederick	Langseth	Olson	Solon
Bernhagen	Frederickson, D.J.	Lantry	Pariseau	Spear
Bertram	Frederickson, D.R.	Larson	Pehler	Storm
Brandl	Freeman	Marty	Piepho	Stumpf
Cohen	Gustafson	McGowan	Piper	Vickerman
Dahl	Hughes	McQuaid	Pogemiller	Waldorf
Davis	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2343 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2343: A bill for an act relating to insurance; accident and health; providing for the classification and disclosure of certain comprehensive health insurance data; regulating the Minnesota comprehensive health insurance plan; requiring insurers to provide written materials on the Minnesota comprehensive health insurance plan; amending Minnesota Statutes 1988, sections 13.71, by adding a subdivision; 62E.10, subdivision 9; 62E.14, by adding subdivisions; and 62E.15, subdivision 4.

Mr. Brandl moved to amend H.F. No. 2343, as amended pursuant to Rule 49, adopted by the Senate March 23, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2536.)

Pages 2 and 3, delete section 3 and insert:

"Sec. 3. Minnesota Statutes 1988, section 62E.14, is amended by adding a subdivision to read:

Subd. 4a. [WAIVER OF PREEXISTING CONDITIONS FOR MINNESOTA RESIDENTS.] A person may enroll in the comprehensive health plan with a waiver of the preexisting condition limitation described in subdivision 3, provided that the person meets the following requirements:

(1) is a Minnesota resident eligible to enroll in the comprehensive health plan;

(2) is eligible for continuation under section 62A.17, subdivision 1 or 2; 62A.20, subdivision 2; or 62A.21, subdivision 2a;

(3) is unable to exercise continuation rights; and

(4) applies for coverage within 90 days of termination of prior coverage from a policy or plan.

Sec. 4. [WAIVER OF PREEXISTING CONDITION.]

A person may enroll in the comprehensive health plan with a waiver of the preexisting condition limitation described in subdivision 3, provided that the person meets the following requirements:

(1) group coverage was provided through a rehabilitation facility defined in section 129A.01, subdivision 6, and was terminated;

(2) all other eligibility requirements for enrollment in the comprehensive health plan are met; and

(3) coverage is applied for within 90 days of termination of previous coverage.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective the day following final enactment."

The motion prevailed. So the amendment was adopted.

H.F. No. 2343 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Mehrrens	Purfeerst
Anderson	Decker	Knaak	Merriam	Ramstad
Beckman	DeCramer	Knutson	Mietzen	Reichgott
Belanger	Dicklich	Kroening	Moe, R.D.	Renneke
Benson	Diessner	Laidig	Morse	Samuelson
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Chmielewski	Gustafson	Marty	Piepho	Waldorf
Cohen	Hughes	McGowan	Piper	
Dahl	Johnson, D.E.	McQuaid	Pogemiller	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1960 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1960: A bill for an act relating to natural resources; amending certain provisions concerned with the management of wildlife; amending Minnesota Statutes 1988, sections 97A.135, by adding a subdivision; and 97A.445, by adding a subdivision; and Minnesota Statutes 1989 Supplement, section 97B.603.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	McQuaid	Pogemiller
Anderson	Davis	Knaak	Mehrkens	Purfeerst
Beckman	Decker	Knutson	Merriam	Ramstad
Belanger	Dicklich	Kroening	Metzen	Reichgott
Benson	Diessner	Laidig	Morse	Renneke
Berg	Frank	Langseth	Novak	Samuelson
Berglin	Frederick	Lantry	Olson	Schmitz
Bernhagen	Frederickson, D.J.	Larson	Pariseau	Solon
Bertram	Frederickson, D.R.	Lessard	Pehler	Storm
Brandl	Freeman	Luther	Peterson, R.W.	Stumpf
Chmielewski	Gustafson	Marty	Piepho	Vickerman
Cohen	Hughes	McGowan	Piper	Waldorf

Ms. Flynn and Mr. Spear voted in the negative.

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1928 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1928: A bill for an act relating to occupations and professions; providing for training for armed employees of private detectives and protective agents; prohibiting certain acts by protective agents and security guards during a labor dispute; amending Minnesota Statutes 1988, sections 326.32, by adding a subdivision; and 326.3384, by adding a subdivision; and amending Minnesota Statutes 1989 Supplement, section 326.3384, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 326.

Mr. Knaak moved to amend H.F. No. 1928, as amended pursuant to Rule 49, adopted by the Senate March 23, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2149.)

Page 1, line 11, delete "LABOR DISPUTES," and after "STRIKES" delete the comma

Page 1, line 18, delete "*labor dispute*," and after "*strike*" delete the comma

Page 1, line 19, delete "7," and after "8" delete the comma

The motion prevailed. So the amendment was adopted.

Mr. Dicklich moved to amend H.F. No. 1928, as amended pursuant to Rule 49, adopted by the Senate March 23, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2149.)

Page 2, after line 26, insert:

"Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective August 1, 1990, and apply to crimes committed on or after that date."

The motion prevailed. So the amendment was adopted.

H.F. No. 1928 was read the third time, as amended, and placed on its

final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 48 and nays 13, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Johnson, D.E.	McGowan	Reichgott
Anderson	Dicklich	Johnson, D.J.	Mehrkens	Samuelson
Beckman	Diessner	Knaak	Merriam	Schmitz
Belanger	Flynn	Knutson	Metzen	Solon
Berglin	Frank	Kroening	Moe, R. D.	Spear
Bertram	Frederick	Langseth	Morse	Stumpf
Brataas	Frederickson, D.J.	Lantry	Novak	Vickerman
Chmielewski	Freeman	Lessard	Pehler	Waldorf
Dahl	Gustafson	Luther	Piper	
Davis	Hughes	Marty	Pogemiller	

Those who voted in the negative were:

Benson	Decker	McQuaid	Piepho	Storm
Berg	Frederickson, D.R.	Olson	Ramstad	
Bernhagen	Larson	Pariseau	Renneke	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2564 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2564: A bill for an act relating to criminal sexual contact; expanding the definition of "sexual contact" in fifth degree criminal sexual conduct; amending Minnesota Statutes 1988, section 609.3451, subdivision 1.

Mr. Pogemiller moved to amend S.F. No. 2564 as follows:

Amend the title as follows:

Page 1, line 2, delete "contact" and insert "conduct"

The motion prevailed. So the amendment was adopted.

S.F. No. 2564 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Hughes	Marty	Piper
Anderson	Dahl	Johnson, D.E.	McGowan	Pogemiller
Beckman	Davis	Johnson, D.J.	McQuaid	Ramstad
Belanger	Decker	Knaak	Mehrkens	Reichgott
Benson	DeCramer	Knutson	Metzen	Renneke
Berg	Diessner	Kroening	Moe, R. D.	Schmitz
Berglin	Flynn	Laidig	Morse	Solon
Bernhagen	Frank	Langseth	Novak	Spear
Bertram	Frederick	Lantry	Olson	Storm
Brandl	Frederickson, D.J.	Larson	Pariseau	Stumpf
Brataas	Frederickson, D.R.	Lessard	Pehler	Vickerman
Chmielewski	Gustafson	Luther	Piepho	Waldorf

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1921 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1921: A bill for an act relating to waste; prohibiting the placement of certain dry cell batteries in mixed municipal solid waste; requiring labeling of certain batteries by electrode content; establishing maximum content levels of mercury in batteries; requiring that batteries in certain consumer products be easily removable; providing penalties; proposing coding for new law in Minnesota Statutes, chapters 115A and 325E.

Mr. Dahl moved to amend H.F. No. 1921, as amended pursuant to Rule 49, adopted by the Senate March 21, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 1784.)

Page 1, line 15, delete "*electrolyte*" and insert "*electrode*" in both places

Page 2, line 20, delete "*must*" and insert "*shall*"

Page 2, line 25, after "*than*" insert ".30 percent mercury by weight, or after January 1, 1992."

Page 2, line 26, delete "*after January 1, 1992*"

Page 2, after line 34, insert:

"(c) Notwithstanding paragraph (a), a manufacturer may not sell, distribute, or offer for sale in this state after January 1, 1992, a button cell alkaline manganese battery that contains more than 25 milligrams of mercury."

Page 3, line 11, delete "*a*" and insert "*any*" and after "*that*" insert "*contains a rechargeable battery and*"

Page 3, line 12, delete "*and is*"

Page 3, line 13, delete everything before the period

Page 3, line 30, delete "*section*" and insert "*sections 1 and*"

Page 3, line 31, after "*section*" insert "*1 or*"

Page 4, line 2, after "*to*" insert "*rechargeable*"

Page 4, delete lines 3 to 7 and insert:

"Notwithstanding section 2, a retailer may sell alkaline manganese batteries from the retailer's stock existing on the effective dates for the two levels of mercury in section 2, subdivision 2, and rechargeable consumer products from the retailer's stock existing on the effective date of section 2, subdivision 3."

Mr. Dahl then moved to amend the Dahl amendment to H.F. No. 1921 as follows:

Page 1, line 10, delete "*January*" and insert "*February*"

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the Dahl amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

H.F. No. 1921 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Metzen	Reichgott
Anderson	Davis	Knaak	Moe, R.D.	Renneke
Beckman	Decker	Kroening	Morse	Schmitz
Belanger	DeCramer	Laidig	Novak	Solon
Benson	Diessner	Langseth	Olson	Spear
Berg	Flynn	Larson	Pariseau	Storm
Berglin	Frank	Lessard	Pehler	Stumpf
Bernhagen	Frederick	Luther	Peterson, R.W.	Vickerman
Bertram	Frederickson, D.I.	Marty	Piepho	Waldorf
Brandl	Frederickson, D.R.	McGowan	Piper	
Brataas	Freeman	McQuaid	Pogemiller	
Chmielewski	Gustafson	Mehrkens	Purfeerst	
Cohen	Johnson, D.E.	Merriam	Ramstad	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2321 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2321: A bill for an act relating to consumer protection; requiring an itemized statement for certain automobile purchase price refunds; amending Minnesota Statutes 1988, sections 325F.662, subdivision 8; and 325F.665, subdivisions 3 and 6.

Mr. Piepho moved to amend H.F. No. 2321 as follows:

Page 2, line 7, after the comma, insert "*or if the dealer does not apply for a refund of the tax within one year of the return of the motor vehicle,*"

Page 3, line 8, after the comma, insert "*or if the manufacturer does not apply for a refund of the tax within one year of the return of the motor vehicle,*"

Page 6, line 10, after the comma, insert "*or if the manufacturer does not apply for a refund of the tax within one year of the return of the motor vehicle,*"

The motion prevailed. So the amendment was adopted.

H.F. No. 2321 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Hughes	Merriam	Ramstad
Anderson	Dahl	Johnson, D.J.	Moe, R.D.	Reichgott
Beckman	Davis	Knaak	Morse	Renneke
Belanger	Decker	Knutson	Novak	Schmitz
Benson	DeCramer	Kroening	Olson	Solon
Berg	Flynn	Laidig	Pariseau	Spear
Berglin	Frank	Langseth	Pehler	Storm
Bernhagen	Frederick	Larson	Peterson, R. W.	Stumpf
Bertram	Frederickson, D.J.	Luther	Piepho	Vickerman
Brandl	Frederickson, D.R.	Marty	Piper	Waldorf
Brataas	Freeman	McGowan	Pogemiller	
Chmielewski	Gustafson	McQuaid	Purfeerst	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2134 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2134: A bill for an act relating to crime; imposing penalties on persons who commit a gross misdemeanor or felony while wearing or possessing a bullet-resistant vest; permitting summary forfeiture of weapons used to commit a controlled substance offense; permitting summary forfeiture of bullet-resistant vests worn or possessed during the commission of a crime; increasing the penalty for furnishing firearms to a minor, intentionally discharging a firearm under circumstances that endanger another, and selling a firearm with a silencer; clarifying that ammunition manufacturers and federally licensed dealers may sell to government agencies; amending Minnesota Statutes 1988, sections 609.5316, subdivision 3; 609.66, subdivision 1, and by adding a subdivision; and 609.67, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 609.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Hughes	McGowan	Piepho
Anderson	Dahl	Johnson, D.E.	McQuaid	Piper
Beckman	Davis	Johnson, D.J.	Mehrkens	Pogemiller
Belanger	Decker	Knaak	Merriam	Purfeerst
Benson	DeCramer	Knutson	Metzen	Ramstad
Berg	Diessner	Kroening	Moe, R.D.	Reichgott
Berglin	Flynn	Laidig	Morse	Samuelson
Bernhagen	Frank	Langseth	Novak	Solon
Bertram	Frederickson, D.J.	Larson	Olson	Spear
Brandl	Frederickson, D.R.	Lessard	Pariseau	Storm
Brataas	Freeman	Luther	Pehler	Stumpf
Chmielewski	Gustafson	Marty	Peterson, R. W.	Vickerman

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2089 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2089: A bill for an act relating to crime; clarifying that terroristic threats include those made indirectly; amending Minnesota Statutes 1988, section 609.713, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Hughes	McGowan	Pogemiller
Anderson	Dahl	Johnson, D.E.	McQuaid	Ramstad
Beckman	Davis	Johnson, D.J.	Merriam	Reichgott
Belanger	Decker	Knaak	Metzen	Samuelson
Benson	DeCramer	Knutson	Morse	Spear
Berg	Diessner	Kroening	Novak	Storm
Berglin	Flynn	Laidig	Olson	Stumpf
Bernhagen	Frank	Langseth	Pariseau	Vickerman
Bertram	Frederickson, D.J.	Larson	Pehler	
Brandl	Frederickson, D.R.	Lessard	Peterson, R.W.	
Brataas	Freeman	Luther	Piepho	
Chmielewski	Gustafson	Marty	Piper	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1725 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1725: A bill for an act relating to the environment; changing the fund balances required to impose the fee and the collection period of the fee; changing the terms for reimbursement of petroleum tank release costs by the petroleum tank release compensation board; providing certain tank facilities and refineries are ineligible for reimbursement; appropriating money reimbursed to state agencies; amending Minnesota Statutes 1988, sections 115C.02, by adding subdivisions; 115C.08, subdivision 2; Minnesota Statutes 1989 Supplement, sections 115C.08, subdivision 5; and 115C.09, subdivision 3, and by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Johnson, D.E.	Merriam	Purfeerst
Anderson	Dahl	Johnson, D.J.	Metzen	Ramstad
Beckman	Davis	Knutson	Moe, R.D.	Reichgott
Belanger	Decker	Kroening	Morse	Renneke
Benson	DeCramer	Laidig	Novak	Samuelson
Berg	Flynn	Larson	Olson	Solon
Berglin	Frank	Lessard	Pariseau	Storm
Bernhagen	Frederickson, D.J.	Luther	Pehler	Stumpf
Bertram	Frederickson, D.R.	Marty	Peterson, R.W.	Vickerman
Brandl	Freeman	McGowan	Piepho	
Brataas	Gustafson	McQuaid	Piper	
Chmielewski	Hughes	Mehrkens	Pogemiller	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1981 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1981: A bill for an act relating to motor vehicles; providing for temporary permit while awaiting delivery of special vehicle license plates; requiring registered owner of motor vehicle to list address or mailing address of primary residence on application for registration; permitting motor vehicle owners to classify residence addresses as private data and to use mailing addresses on motor vehicle registration forms; clarifying when inspection fee must be paid to receive certificate of inspection for salvage vehicle; clarifying disclosure requirements for motor vehicle pollution control system; amending Minnesota Statutes 1988, sections 168.09, by adding a subdivision; 168.10, subdivision 1; and 325E.0951, subdivision 3a; Minnesota Statutes 1989 Supplement, section 168A.152, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 168.

Mr. Stumpf moved to amend H.F. No. 1981, as amended pursuant to Rule 49, adopted by the Senate March 21, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2084.)

Page 3, after line 35, insert:

“Sec. 5. [U.S. OPEN LICENSE PLATES.]

Subdivision 1. [DEFINITIONS.] (a) “Committee” means the 1991 U.S. Open Committee.

(b) “Registrar” means the registrar of motor vehicles.

Subd. 2. [ISSUANCE AND DESIGN.] Upon the request of the committee, the registrar shall issue to the committee special license plates for use in connection with the 1991 United States Golf Association Open Championship. The special plates must be of a design approved by the registrar after consultation with the committee. The plates may be displayed on a passenger vehicle the use of which has been donated for the open championship by the vehicle manufacturer. The plates are valid for a period of 14 days after issuance.

Subd. 3. [FEES.] The registrar shall collect a fee of \$10 for each pair of special plates issued under this section. The minimum number of special plates the registrar may issue to the committee under this section is 50 pairs.

Subd. 4. [APPLICATION.] In requesting special plates under this section, the committee shall provide the following information to the registrar at least 120 days before the start of the period for which the plates are requested:

(1) the dates of the period for which the plates are requested;

(2) the name, address, and telephone number of an authorized representative of the committee;

(3) the quantity of plates requested; and

(4) a certification that the insurance required under Minnesota Statutes, section 65B.49, subdivision 3, will be provided for each vehicle for which

special plates are provided under this section.

Subd. 5. [LIABILITY.] If a parking violation citation is issued for a violation committed by a driver of a vehicle displaying special plates issued under this section, the committee is liable for the amount of fine, penalty assessment, late payment penalty, or cost of warrants issued in connection with the violation unless, within 15 days after receiving knowledge of the violation, the committee provides to the issuing authority the following information to the extent available: the driver's full name, home address, local address, if any, license number, and employer's name and address. If the committee is relieved of liability under this subdivision, the person who committed the violation remains liable for the violation."

Renumber the sections in sequence

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 1981 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Gustafson	McGowan	Piper
Anderson	Dahl	Hughes	McQuaid	Pogemiller
Beckman	Davis	Johnson, D.E.	Mehrkens	Purfeerst
Belanger	Decker	Johnson, D.J.	Merriam	Ramstad
Benson	DeCramer	Knutson	Metzen	Reichgott
Berg	Diessner	Kroening	Moe, R. D.	Renneke
Berglin	Flynn	Laidig	Morse	Samuelson
Bernhagen	Frank	Langseth	Novak	Spear
Bertram	Frederick	Lantry	Olson	Storm
Brandl	Frederickson, D.J.	Larson	Pariseau	Stumpf
Brataas	Frederickson, D.R.	Luther	Pehler	Vickerman
Chmielewski	Freeman	Marty	Peterson, R.W.	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2059 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2059: A bill for an act relating to education; permitting special school district No. 1 to remodel the Aviation Training Center with federal funds.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Gustafson	McGowan	Pogemiller
Anderson	Dahl	Hughes	Mehrkens	Purfeerst
Beckman	Davis	Johnson, D.E.	Merriam	Ramstad
Belanger	Decker	Johnson, D.J.	Metzen	Reichgott
Benson	DeCramer	Knutson	Moe, R.D.	Renneke
Berg	Diessner	Kroening	Morse	Samuelson
Berglin	Flynn	Laidig	Novak	Spear
Bernhagen	Frank	Langseth	Olson	Storm
Bertram	Frederick	Lantry	Pariseau	Stumpf
Brandl	Frederickson, D.J.	Larson	Pehler	Vickerman
Brataas	Frederickson, D.R.	Luther	Peterson, R.W.	
Chmielewski	Freeman	Marty	Piper	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2131 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2131: A bill for an act relating to crimes; prohibiting wild land arson fires; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 609.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Gustafson	Marty	Ramstad
Anderson	Dahl	Hughes	McGowan	Reichgott
Beckman	Davis	Johnson, D.E.	McQuaid	Renneke
Belanger	Decker	Johnson, D.J.	Mehrkens	Spear
Benson	DeCramer	Knaak	Merriam	Storm
Berg	Diessner	Knutson	Metzen	Stumpf
Berglin	Flynn	Kroening	Morse	Vickerman
Bernhagen	Frank	Laidig	Novak	Waldorf
Bertram	Frederick	Lantry	Olson	
Brandl	Frederickson, D.J.	Larson	Pariseau	
Brataas	Frederickson, D.R.	Lessard	Piepho	
Chmielewski	Freeman	Luther	Piper	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1952 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1952: A bill for an act relating to crimes; permitting individuals to request that the commissioner of public safety hold certain information on the individual as private; increasing penalties for certain acts of harassment; expanding the crime of terroristic threats to include threats made through an intermediary; authorizing courts to issue orders to restrain acts of harassment; amending Minnesota Statutes 1988, sections 171.12, by adding a subdivision; and 609.713, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 168 and 609.

Mr. Marty moved to amend H.F. No. 1952, as amended pursuant to Rule 49, adopted by the Senate March 23, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 1843.)

Page 4, line 35, delete "for"

Page 4, line 36, delete "protection"

Page 5, line 6, delete "for protection"

The motion prevailed. So the amendment was adopted.

H.F. No. 1952 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Hughes	McQuaid	Pogemiller
Anderson	Decker	Johnson, D.E.	Mehrkens	Ramstad
Beckman	DeCramer	Knaak	Merriam	Reichgott
Belanger	Diessner	Knutson	Metzen	Renneke
Benson	Flynn	Kroening	Morse	Spear
Berglin	Frank	Laidig	Novak	Storm
Bernhagen	Frederick	Lantry	Olson	Stumpf
Bertram	Frederickson, D.J.	Lessard	Pariseau	Vickerman
Brataas	Frederickson, D.R.	Luther	Peterson, R. W.	
Cohen	Freeman	Marty	Piepho	
Dahl	Gustafson	McGowan	Piper	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1673 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1673: A bill for an act relating to occupations and professions; regulating the practice of pharmacy; amending Minnesota Statutes 1988, sections 151.01, subdivisions 3 and 11; 151.13, subdivision 1; and 151.34.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Gustafson	McQuaid	Ramstad
Anderson	Dahl	Johnson, D.E.	Mehrkens	Reichgott
Beckman	Davis	Knaak	Merriam	Renneke
Belanger	Decker	Knutson	Metzen	Schmitz
Benson	DeCramer	Kroening	Morse	Spear
Berg	Diessner	Laidig	Novak	Storm
Berglin	Flynn	Langseth	Olson	Stumpf
Bernhagen	Frank	Lantry	Pariseau	Vickerman
Bertram	Frederick	Lessard	Peterson, R. W.	Waldorf
Brandl	Frederickson, D.J.	Luther	Piepho	
Brataas	Frederickson, D.R.	Marty	Piper	
Chmielewski	Freeman	McGowan	Pogemiller	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1985 a Special Order to be heard

immediately.

SPECIAL ORDER

H.F. No. 1985: A bill for an act relating to insurance; regulating cease and desist orders and communications with the department of commerce; amending Minnesota Statutes 1988, sections 45.027, subdivision 5; and 60A.17, by adding a subdivision.

Mr. Luther moved to amend H.F. No. 1985 as follows:

Page 2, after line 33, insert:

“Sec. 3. Minnesota Statutes 1988, section 62A.31, subdivision 1a, is amended to read:

Subd. 1a. [APPLICATION TO CERTAIN POLICIES.] The requirements of sections 62A.31 to 62A.44 shall not apply to disability income protection insurance policies, long-term care policies issued pursuant to sections 62A.46 to 62A.56, or group policies of accident and health insurance which do not purport to supplement Medicare issued to any of the following groups:

(a) A policy issued to an employer or employers or to the trustee of a fund established by an employer where only employees or retirees, and dependents of employees or retirees, are eligible for coverage.

(b) A policy issued to a labor union or similar employee organization.

(c) A policy issued to an association, a trust or the trustee of a fund established, created or maintained for the benefit of members of one or more associations. The association or associations shall have at the outset a minimum of 100 persons; shall have been organized and maintained in good faith for purposes other than that of obtaining insurance; shall have 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, and (4) the members are not, within the first 30 days of membership, directly solicited, offered, or sold a long-term care policy or Medicare supplement policy if the policy is available as an association benefit. This clause does not prohibit direct solicitations, offers, or sales made exclusively by mail.

An association may apply to the commissioner for a waiver of the 30-day waiting period as to that association. The commissioner may grant the waiver upon a finding of all of the following: (1) that the association is in full compliance with this section; (2) that sanctions have not been imposed against the association as a result of significant disciplinary action by the department of commerce; and (3) that at least 90 percent of the association's income comes from dues, contributions, or sources other than income from the sale of insurance.

Sec. 4. [EFFECTIVE DATE.]

Section 3 is effective the day following final enactment.”

Amend the title as follows:

Page 1, line 4, after the semicolon, insert “providing for a waiver of the 30-day waiting period for purchasing insurance from certain associations;”

Page 1, line 5, delete "and"

Page 1, line 6, after "subdivision" insert "; and 62A.31, subdivision 1a"

The motion prevailed. So the amendment was adopted.

H.F. No. 1985 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Merriam	Renneke
Anderson	Davis	Johnson, D.J.	Metzen	Samuelson
Beckman	Decker	Knaak	Morse	Schmitz
Belanger	DeCramer	Knutson	Novak	Spear
Benson	Diessner	Laidig	Olson	Storm
Berglin	Flynn	Lantry	Pariseau	Stumpf
Bernhagen	Frank	Larson	Peterson, R.W.	Vickerman
Bertram	Frederickson, D.J.	Luther	Piepho	Waldorf
Brandl	Frederickson, D.R.	Marty	Piper	
Brataas	Freeman	McGowan	Pogemiller	
Chmielewski	Gustafson	McQuaid	Ramstad	
Cohen	Hughes	Mehrrens	Reichgott	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2156 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2156: A bill for an act relating to counties; regulating performance bonds; amending Minnesota Statutes 1988, section 375.21, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Gustafson	McGowan	Pogemiller
Anderson	Dahl	Hughes	McQuaid	Ramstad
Beckman	Davis	Johnson, D.E.	Mehrrens	Reichgott
Belanger	Decker	Knaak	Merriam	Renneke
Benson	DeCramer	Knutson	Metzen	Samuelson
Berg	Diessner	Kroening	Morse	Schmitz
Berglin	Flynn	Langseth	Novak	Spear
Bernhagen	Frank	Lantry	Olson	Storm
Bertram	Frederick	Larson	Pariseau	Stumpf
Brandl	Frederickson, D.J.	Lessard	Peterson, R.W.	Vickerman
Brataas	Frederickson, D.R.	Luther	Piepho	Waldorf
Chmielewski	Freeman	Marty	Piper	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2056 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2056: A bill for an act relating to public safety; making it a crime for a driver to flee a peace officer from another state into Minnesota; authorizing a peace officer of another state to enter Minnesota in fresh pursuit for traffic and misdemeanor offenses; authorizing the admissibility of relevant evidence obtained in another state into evidence at Minnesota civil and criminal trials; granting peace officers of other states the authority to transport persons in legal custody under certain circumstances; amending Minnesota Statutes 1988, section 609.487, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 626 and 634.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Gustafson	McGowan	Piper
Anderson	Dahl	Hughes	McQuaid	Pogemiller
Beckman	Davis	Johnson, D.E.	Mehrkens	Ramstad
Belanger	Decker	Knaak	Merriam	Reichgott
Benson	DeCramer	Knutson	Metzen	Renneke
Berg	Diessner	Kroening	Morse	Samuelson
Berglin	Flynn	Langseth	Novak	Schmitz
Bernhagen	Frank	Lantry	Olson	Spear
Bertram	Frederick	Larson	Pariseau	Storm
Brandl	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brataas	Frederickson, D.R.	Luther	Peterson, R. W.	Vickerman
Chmielewski	Freeman	Marty	Piepho	Waldorf

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2174 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2174: A bill for an act relating to public lands; providing payments in lieu of taxes for certain federal land leased to the state; amending Minnesota Statutes 1988, sections 477A.11, subdivision 4; and 477A.13.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Decker	Knaak	Merriam	Renneke
Beckman	DeCramer	Knutson	Metzen	Samuelson
Belanger	Diessner	Kroening	Morse	Schmitz
Benson	Flynn	Langseth	Novak	Spear
Berg	Frank	Lantry	Olson	Storm
Berglin	Frederick	Larson	Pariseau	Stumpf
Bertram	Frederickson, D.J.	Lessard	Pehler	Vickerman
Brataas	Frederickson, D.R.	Luther	Peterson, R. W.	Waldorf
Chmielewski	Freeman	Marty	Piepho	
Cohen	Gustafson	McGowan	Piper	
Dahl	Hughes	McQuaid	Pogemiller	
Davis	Johnson, D.E.	Mehrkens	Ramstad	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1841 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1841: A bill for an act relating to consumer protection; regulating membership travel contracts; providing a right to cancel; prescribing penalties; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325G.

Mr. Cohen moved to amend H.F. No. 1841, as amended pursuant to Rule 49, adopted by the Senate March 21, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 1770.)

Page 2, after line 8, insert:

“Cancellation is without liability on the part of the buyer and the buyer is entitled to a refund, within ten days after notice of cancellation is given, of the entire consideration paid for the contract. Rights of cancellation may not be waived or otherwise surrendered.

Subd. 3. [NOTICE TO MEMBERS.] A copy of the contract must be delivered to the buyer at the time the contract is signed. The contract must be in writing, must be signed by the buyer, must designate the date on which the buyer signed the contract, and must state, clearly and conspicuously in bold face type of a minimum size of 14 points, the following:

“MEMBERS’ RIGHT TO CANCEL

If you wish to cancel this contract, you may cancel by delivering or mailing a written notice to the membership travel operator. The notice must say that you do not wish to be bound by the contract and must be delivered or mailed before midnight of the third business day after you sign this contract. The notice must be delivered or mailed to: (Insert name and mailing address of membership travel operator). If you cancel, the membership travel operator will return, within ten days of the date on which you give notice of cancellation, any payments you have made.”

Subd. 4. [CANCELLATION AT ANY TIME.] A contract which does not contain the notice specified in subdivision 3 may be canceled by the buyer at any time by giving notice of cancellation by any means.”

The motion prevailed. So the amendment was adopted.

H.F. No. 1841 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Hughes	McQuaid	Renneke
Anderson	Decker	Johnson, D.E.	Mehrkens	Samuelson
Beckman	DeCramer	Knaak	Merriam	Schmitz
Belanger	Dicklich	Knutson	Morse	Spear
Benson	Diessner	Kroening	Novak	Storm
Berg	Flynn	Laidig	Olson	Stumpf
Berglin	Frank	Lantry	Pariseau	Vickerman
Bertram	Frederick	Larson	Peterson, R. W.	Waldorf
Brandl	Frederickson, D.J.	Lessard	Piepho	
Brataas	Frederickson, D.R.	Luther	Piper	
Chmielewski	Freeman	Marty	Pogemiller	
Cohen	Gustafson	McGowan	Ramstad	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2317 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2317: A bill for an act relating to utilities; providing for the assessment of expenses for adjudicating service area disputes to municipal electric utilities; providing for civil penalties for violations of chapter 237; reestablishing the position of program administrator of the telecommunications access for communication-impaired persons board; extending the electric utility service area task force until 1992; requiring a study; appropriating money; amending Minnesota Statutes 1988, sections 216B.62, subdivision 5; and 237.51, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 237.

Mr. Dicklich moved to amend S.F. No. 2317 as follows:

Page 2, line 13, after "*who*" insert "*knowingly and intentionally*"

Page 3, line 26, delete "*shall*" and insert "*may*"

Page 3, line 35, delete "*commission*" and insert "*department*"

Page 3, line 36, before the comma, insert "*in proportion to their gross operating revenues*"

Page 4, line 2, delete "*commission*" and insert "*department*"

Page 4, line 4, delete "*department*" and insert "*commission*"

The motion prevailed. So the amendment was adopted.

S.F. No. 2317 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Hughes	Marty	Pogemiller
Anderson	Decker	Johnson, D.E.	McGowan	Ramstad
Beckman	DeCramer	Johnson, D.J.	McQuaid	Reichgott
Belanger	Dicklich	Knaak	Merriam	Renneke
Benson	Diessner	Knutson	Moe, R.D.	Samuelson
Berg	Flynn	Kroening	Morse	Spear
Berglin	Frank	Laidig	Novak	Storm
Bertram	Frederick	Langseth	Olson	Stumpf
Brandl	Frederickson, D.I.	Lantry	Pariseau	Vickerman
Brataas	Frederickson, D.R.	Larson	Peterson, R.W.	Waldorf
Chmielewski	Freeman	Lessard	Piepho	
Cohen	Gustafson	Luther	Piper	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2132 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2132: A bill for an act relating to crimes; making it a crime to obtain telecommunication services by fraud; requiring forfeiture of telecommunication devices used for fraudulent purposes; prescribing penalties; amending Minnesota Statutes 1988, section 609.87, subdivisions 3 and 5; Minnesota Statutes 1989 Supplement, section 609.531, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 237 and 609; repealing Minnesota Statutes 1988, section 609.785.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McGowan	Piper
Anderson	Davis	Johnson, D.E.	McQuaid	Pogemiller
Beckman	Decker	Johnson, D.J.	Mehrkens	Ramstad
Belanger	DeCramer	Knaak	Merriam	Reichgott
Benson	Dicklich	Knutson	Metzen	Renneke
Berg	Flynn	Kroening	Moe, R.D.	Samuelson
Berglin	Frank	Laidig	Morse	Schmitz
Bertram	Frederick	Langseth	Novak	Spear
Brandl	Frederickson, D.J.	Lantry	Olson	Storm
Brataas	Frederickson, D.R.	Larson	Pariseau	Stumpf
Chmielewski	Freeman	Luther	Peterson, R.W.	Vickerman
Cohen	Gustafson	Marty	Piepho	Waldorf

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1873 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1873: A bill for an act relating to crime victims; providing victims of delinquent acts the right to request notice of release of juvenile offenders from juvenile correctional facilities; providing notice to sexual assault victims when a juvenile offender is released from pretrial detention; requiring that victims be informed of their right to request the withholding of public law enforcement data that identifies them; clarifying the duty of court

administrators to disburse restitution payments; making certain changes to the crime victims reparations act; amending Minnesota Statutes 1988, sections 611A.53, subdivision 2; and 611A.57, subdivision 6; Minnesota Statutes 1989 Supplement, sections 13.84, subdivision 5a; 260.161, subdivision 2; 611A.04, subdivision 2; 611A.06; 611A.52, subdivision 8; and 629.73; proposing coding for new law in Minnesota Statutes, chapter 611A.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Hughes	Mehrkens	Reichgott
Anderson	Decker	Johnson, D.E.	Metzen	Renneke
Beckman	DeCramer	Johnson, D.J.	Moe, R.D.	Samuelson
Belanger	Dicklich	Knaak	Morse	Schmitz
Benson	Diessner	Knutson	Novak	Spear
Berglin	Flynn	Kroening	Olson	Storm
Bernhagen	Frank	Laidig	Pariseau	Stumpf
Bertram	Frederick	Lantry	Peterson, R.W.	Vickerman
Brandl	Frederickson, D.J.	Larson	Piepho	Waldorf
Brataas	Frederickson, D.R.	Marty	Piper	
Chmielewski	Freeman	McGowan	Pogemiller	
Cohen	Gustafson	McQuaid	Ramstad	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2481 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2481: A bill for an act relating to crimes; making preparation of a written presentence investigation report discretionary with the court when a defendant is convicted of a felony for which the court must impose an executed sentence under the sentencing guidelines; amending Minnesota Statutes 1989 Supplement, section 609.115, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Gustafson	Marty	Pogemiller
Anderson	Davis	Hughes	McGowan	Ramstad
Beckman	Decker	Johnson, D.E.	McQuaid	Reichgott
Belanger	DeCramer	Johnson, D.J.	Mehrkens	Renneke
Benson	Dicklich	Knaak	Merriam	Samuelson
Berglin	Diessner	Knutson	Metzen	Schmitz
Bernhagen	Flynn	Kroening	Morse	Spear
Bertram	Frank	Laidig	Olson	Storm
Brandl	Frederick	Langseth	Pariseau	Stumpf
Brataas	Frederickson, D.J.	Lantry	Peterson, R.W.	Vickerman
Chmielewski	Frederickson, D.R.	Larson	Piepho	Waldorf
Cohen	Freeman	Luther	Piper	

So the bill passed and its title was agreed to.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Messages

From the House.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 1968, 2383, 2039, 2048, 2159 and 2381.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 26, 1990

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1692: A bill for an act relating to public safety; conforming definition of "family or group family day care home" for purposes of fire code enforcement; abolishing nominal reimbursements for local fire chiefs; abolishing certain regulation of fire extinguishers now regulated under state fire code; abolishing regulation regarding "no smoking" signs which are regulated by state fire code; abolishing regulations relating to fire alarm deactivation requests and notices; abolishing state licensing of, and certain regulation regarding, dry cleaning and dyeing establishments, which are also regulated by state fire code; abolishing certain state licensing and inspection regulations for theaters and halls, which are regulated by the state fire code; amending Minnesota Statutes 1988, section 299F.011, subdivision 4a; repealing Minnesota Statutes 1988, sections 299F.34; 299F.36; 299F.38; 299F.453; 299F.454; 299H.211; 299H.22 to 299H.28; and 299I.01 to 299I.24.

Senate File No. 1692 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 26, 1990

CONCURRENCE AND REPASSAGE

Ms. Berglin moved that the Senate concur in the amendments by the House to S.F. No. 1692 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1692: A bill for an act relating to public safety; conforming definition of "family or group family day care home" for purposes of fire code enforcement; providing for civil penalty for violation of the federal Emergency Planning and Community Right To Know Act; abolishing nominal reimbursements for local fire chiefs; abolishing certain regulation of fire extinguishers now regulated under state fire code; abolishing regulation regarding "no smoking" signs which are regulated by state fire code; abolishing regulations relating to fire alarm deactivation requests and notices; abolishing state licensing of, and certain regulation regarding, dry cleaning and dyeing establishments, which are also regulated by state fire code;

abolishing certain state licensing and inspection regulations for theaters and halls, which are regulated by the state fire code; amending Minnesota Statutes 1988, section 299F.011, subdivision 4a; Minnesota Statutes 1989 Supplement, section 299K.10, subdivision 6; repealing Minnesota Statutes 1988, sections 299F.34; 299F.36; 299F.38; 299F.453; 299F.454; 299H.211; 299H.22 to 299H.28; and 299I.01 to 299I.24.

Was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McGowan	Pogemiller
Anderson	Davis	Johnson, D.E.	McQuaid	Purfeerst
Beckman	Decker	Johnson, D.J.	Mehrkens	Ramstad
Belanger	DeCramer	Knaak	Merriam	Reichgott
Benson	Dicklich	Knutson	Metzen	Renneke
Berg	Diessner	Kroening	Morse	Samuelson
Berglin	Flynn	Laidig	Novak	Schmitz
Bernhagen	Frank	Langseth	Olson	Spear
Bertram	Frederick	Lantry	Pariseau	Storm
Brandl	Frederickson, D.J.	Larson	Pehler	Stumpf
Brataas	Frederickson, D.R.	Lessard	Peterson, R.W.	Vickerman
Chmielewski	Freeman	Luther	Piepho	Waldorf
Cohen	Gustafson	Marty	Piper	

So the bill, as amended, was repassed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Luther moved that S.F. No. 1682, No. 3 on General Orders, be stricken and returned to its author. The motion prevailed.

MEMBERS EXCUSED

Mr. Moe, D.M. was excused from the Session of today. Mr. Lessard was excused from the Session of today from 1:30 to 1:45 p.m. and 2:45 to 3:00 p.m. Mrs. Lantry was excused from the Session of today from 2:00 to 2:25 p.m. Ms. Reichgott was excused from the Session of today from 2:00 to 2:30 p.m. Mr. Dicklich was excused from the Session of today from 2:00 to 3:00 p.m.

The following member was excused from today's Session for brief periods of time: Mr. Johnson, D.J.

ADJOURNMENT

Mr. Luther moved that the Senate do now adjourn until 12:30 p.m., Tuesday, March 27, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTY-EIGHTH DAY

St. Paul, Minnesota, Tuesday, March 27, 1990

The Senate met at 12:30 p.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Bill Mulligan.

The roll was called, and the following Senators answered to their names:

Adkins	Davis	Johnson, D.J.	Metzen	Reichgott
Anderson	Decker	Knaak	Moe, D.M.	Renneke
Beckman	DeCramer	Kroening	Moe, R.D.	Samuelson
Belanger	Dicklich	Laidig	Morse	Schmitz
Benson	Diessner	Langseth	Novak	Solon
Berg	Flynn	Lantry	Olson	Spear
Berglin	Frank	Larson	Pariseau	Storm
Bernhagen	Frederick	Lessard	Pehler	Stumpf
Bertram	Frederickson, D.J.	Luther	Peterson, R.W.	Vickerman
Brandl	Frederickson, D.R.	Marty	Piepho	Waldorf
Brataas	Freeman	McGowan	Piper	
Chmielewski	Gustafson	McQuaid	Pogemiller	
Cohen	Hughes	Mehrkens	Purfeerst	
Dahl	Johnson, D.E.	Merriam	Ramstad	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F Nos. 2651 and 2199.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 26, 1990

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 2651: 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 the commissioner of finance to make certain covenants to the purchasers of certain bonds or certificates of indebtedness; requiring identification of certain accounts; providing for the reduction and cancellation of certain bond sale authorizations; approving capital loans to certain school districts; not approving capital loans to certain school districts; authorizing certain lease-purchase, lease with option to buy, and rental arrangements by the commissioner of administration; appropriating money; amending Minnesota Statutes 1988, sections 16A.641, subdivision 6; 16A.672, by adding a subdivision; 16B.24, subdivisions 5 and 6; 116.18, subdivision 3d; 136.62, by adding a subdivision; 136A.28, subdivisions 3 and 7; 136C.04, subdivision 4; Minnesota Statutes 1989 Supplement, sections 16A.631; 16A.641, subdivision 7; 16A.69, subdivision 1; 16B.335, subdivision 2; Laws 1979, chapter 280, section 2, as amended; Laws 1989, chapter 329, article 5, section 21, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 124; repealing Minnesota Statutes 1988, section 16A.651.

Mr. Moe, R.D. moved that H.F. No. 2651 be laid on the table. The motion prevailed.

H.F. No. 2199: A bill for an act relating to retirement; making a variety of technical changes in the laws governing benefits and administration of various statewide and local public pension plans; authorizing certain purchases of prior service credit; forbidding certain reductions in retirement benefits; providing that certain persons are members of the state troopers retirement plan; changing the effective date of a provision governing surviving spouse benefits from the public employees retirement association; providing survivor benefits to certain spouses of deceased former corrections employees; clarifying the status of certain volunteer firefighter relief associations; increasing maximum service pension for the Minnetonka volunteer firefighter relief association; amending Minnesota Statutes 1988, sections 3A.03, subdivision 2; 352.73, by adding a subdivision; 352B.01, subdivision 2; 352B.11, subdivision 4; 352C.09, subdivision 2; 352D.05, subdivision 3; 354.05, subdivision 13; 354.07, subdivision 4; 354.146, subdivision 1; 354.42, subdivisions 2 and 3; 354.46, subdivision 1; 354.52, subdivision 2; 354.55, subdivision 19; 356.302, subdivisions 3 and 4; Minnesota Statutes 1989 Supplement, sections 352.01, subdivision 25; 352.031, subdivisions 2, 3, and by adding a subdivision; 352.115, subdivision 3; 352.116, subdivisions 1, 1a, and by adding a subdivision; 352.93, subdivisions 2a and 3; 352B.08, subdivisions 2a and 3; 352B.11, subdivision 2; 353.01, subdivision 37; 353.29, subdivision 3; 353.30; 353.651, subdivision 4; 354.05, subdivision 38; 354.071, subdivisions 2, 3, and by adding a subdivision; 354.44, subdivision 6; 354.45, subdivision 1a; 354.46, subdivision 2; 354.47, subdivision 1; 354.48, subdivision 3; 354.49, subdivisions 2 and 3; 354.50, subdivision 5; 354.55, subdivision 11; 354.65; 354.66, subdivision 2; 354A.011, subdivision 15a; 354A.095; 354A.31, subdivisions 4, 6, and 7; 354A.32, subdivisions 1 and 1a; 354B.02, subdivisions 2 and 3; 354B.03, subdivisions 1 and 3; 356.371, subdivision 3; 356.86, subdivisions 2, 4, 5, and 6; Laws 1989, chapter 319, article 17, section 18; Laws 1989, chapter 319, article 19, section 7, subdivision 4; repealing Minnesota Statutes 1988, sections 11A.19, subdivisions 1 to 8; 354.05, subdivisions 23, 24, 33, and 34; 354.146, subdivision 2; and

354.62, subdivisions 1, 3, 4, 5, and 6; Minnesota Statutes 1989 Supplement, sections 11A.19, subdivision 9; 353.87, subdivision 5; 354.44, subdivision 7; and 354.62, subdivisions 2 and 7.

Referred to the Committee on Governmental Operations.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

H.F. No. 2457: A bill for an act relating to public financing; allocating authority to issue tax exempt revenue bonds; restricting loans from proceeds of mortgage revenue bonds under certain circumstances; amending Minnesota Statutes 1988, sections 474A.02, subdivisions 6, 8, and by adding a subdivision; 474A.03; 474A.061, subdivision 3, and by adding subdivisions; 474A.091, subdivisions 1, 4, and 5; 474A.131, subdivision 2; and 474A.14; Minnesota Statutes 1989 Supplement, section 290.01, subdivision 19a; Minnesota Statutes Second 1989 Supplement, sections 474A.061, subdivisions 1 and 4; and 474A.091, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 474A; repealing Minnesota Statutes 1988, sections 474A.081, subdivisions 1, 2, and 4; and 474A.091, subdivision 4a; Minnesota Statutes Second 1989 Supplement, section 474A.061, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 474A.02, subdivision 6, is amended to read:

Subd. 6. [~~DEPARTMENT; DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT~~ *FINANCE*.] “Department” means the department of ~~trade and economic development~~ *finance*.

Sec. 2. Minnesota Statutes 1988, section 474A.02, subdivision 8, is amended to read:

Subd. 8. [~~FEDERAL TAX LAW~~.] “Federal tax law” means those provisions of the Internal Revenue Code of 1986, *as amended through December 31, 1989*, that limit the aggregate amount of obligations of a specified type or types which may be issued by an issuer during a calendar year whose interest is excluded from gross income for purposes of federal income taxation.

Sec. 3. Minnesota Statutes 1988, section 474A.02, is amended by adding a subdivision to read:

Subd. 22b. [PUBLIC FACILITIES PROJECT.] “Public facilities project” means any publicly owned facility that is eligible to be financed with the proceeds of public facilities bonds as defined under subdivision 23a.

Sec. 4. Minnesota Statutes 1988, section 474A.03, is amended to read:
474A.03 [~~DETERMINATION OF ANNUAL VOLUME CAP~~]

Subdivision 1. [ANNUAL VOLUME CAP UNDER FEDERAL TAX LAW; POOL ALLOCATIONS.] At the beginning of each calendar year after December 31, ~~1987~~ 1990, the commissioner shall determine the aggregate dollar amount of the annual volume cap under federal tax law for the calendar year, and of this amount the commissioner shall make the following allocation:

- (1) ~~\$74,000,000~~ \$75,000,000 to the manufacturing pool;
- (2) ~~\$30,000,000~~ \$46,000,000 to the ~~multifamily~~ housing pool;
- (3) ~~\$21,000,000~~ \$10,000,000 to the public facilities pool; and
- (4) amounts to be allocated as provided in subdivision 2a.

If the annual volume cap is greater or less than the amount of bonding authority allocated under clauses (1) to (4) *and subdivision 2a, paragraph (a), clauses (1) to (3)*, the allocation must be adjusted so that each adjusted allocation is the same percentage of the annual volume cap as each original allocation is of the total bonding authority originally allocated.

Subd. 2a. [ENTITLEMENT ISSUER ALLOCATION.] (a) The commissioner shall make the following allocation to the Minnesota housing finance agency and the following cities:

(1) ~~\$50,000,000~~ \$51,000,000 per year to the Minnesota housing finance agency, less any amount received in the previous year under section 474A.091, subdivision 6;

(2) \$20,000,000 per year to the city of Minneapolis; *and*

(3) \$15,000,000 per year to the city of Saint Paul; *and*

(4) ~~\$3,000,000~~ to each of the cities of the first class located outside of the metropolitan area as defined in section 473.121, subdivision 2, or an amount equal to the amount of mortgage bonds or residential rental project bonds that each city permanently issued in the previous calendar year, whichever amount is less. If a city is eligible to receive an entitlement allocation under this clause, the amount of the allocation is deducted from the allocations made under clauses (1), (2), and (3) in proportion to the total amount of allocations made in clauses (1), (2), and (3).

(b) Allocations provided under this subdivision must be used for mortgage bonds, mortgage credit certificates, or residential rental project bonds, except that entitlement cities may also use their allocations for public facility bonds.

Sec. 5. [474A.045] [SCORING SYSTEM FOR MANUFACTURING PROJECTS.]

The following criteria must be used in determining the allocation of small issue bonds for manufacturing projects. The issuer must prepare and submit to the commissioner a public purpose scoring worksheet that presents the data and methods used in determining the total score under this section. The total score is the sum of the following:

(1) *the number of net direct new jobs in the state generated by the proposed project for the next two years per \$100,000 of proposed allocation multiplied by 15;*

(2) *the number of direct jobs retained in the state due to the proposed project per \$100,000 of proposed allocation multiplied by 15;*

(3) the quotient of the total increase in net payroll generated in the state by the proposed project divided by the proposed bond allocation, multiplied by 100;

(4) the quotient of the estimated total net increase in property taxes generated in the state by the project in the first full year of operation divided by the proposed bond allocation, multiplied by 500; and

(5) the unemployment rate in the community where the proposed project is located measured as a percent of the state's unemployment rate, multiplied by ten.

The community unemployment rate used in determining the points under clause (5) must be the rate for the county in which the proposed project is located unless an accurate rate may be estimated for a smaller geographic area or census tract. The commissioner of jobs and training must approve the rate used when an unemployment rate other than that for a county is used.

If the manufacturing project will retain jobs and the total score includes points calculated under clause (2), the issuer must certify to the commissioner that the proceeds of the small issue bonds are required to retain those jobs. The commissioner shall submit the information relating to the retaining of jobs to the commissioner of trade and economic development. The commissioner of trade and economic development must verify that the proceeds of the small issue bonds are required to retain the jobs referred to in the certification prior to the awarding of any points under this section.

Sec. 6. [474A.047] [RESIDENTIAL RENTAL BONDS; LIMITATIONS.]

Subdivision 1. [ELIGIBILITY.] An issuer may only use the proceeds from residential rental bonds if the proposed project meets one of the following:

(a) The proposed project is a single room occupancy project and all the units of the project will be occupied by individuals whose incomes are 50 percent or less of the greater of the statewide or county median income adjusted for household size as determined by the federal Department of Housing and Urban Development; or

(b) The proposed project is a multifamily project where at least 75 percent of the units have two or more bedrooms and at least 25 percent of the units have three or more bedrooms. At least 75 percent of the units of the multifamily project must be occupied by individuals or families whose incomes are 60 percent or less of the greater of the statewide or county median income adjusted for household size as determined by the federal Department of Housing and Urban Development.

The maximum rent for a proposed single room occupancy unit under paragraph (a) is 30 percent of the amount equal to 30 percent of the greater of the statewide or county median income for a one-member household as determined by the federal Department of Housing and Urban Development. The maximum rent for a multifamily project under paragraph (b) is 30 percent of the amount equal to 50 percent of the greater of the statewide or county median income as determined by the federal Department of Housing and Urban Development based on a household size with one person per bedroom.

Subd. 2. [15-YEAR AGREEMENT.] Prior to the issuance of residential rental bonds, the developer of the project for which the bond proceeds will

be used must enter into a 15-year agreement with the issuer that specifies the maximum rental rates of the units in the project and the income levels of the residents of the project. The rental rates and income levels must be within the limitations established under subdivision 1. The developer must annually certify to the issuer over the term of the agreement that the rental rates are within the limitations under subdivision 1. The issuer may request individual certification of the income of all residents of the project.

Sec. 7. [474A.048] [SINGLE FAMILY MORTGAGE BONDS; LIMITATIONS.]

Subdivision 1. [DEFINITIONS.] (a) For purposes of this section the following terms have the meaning given them.

(b) "City" means a city as defined in section 462C.02, subdivision 6.

(c) "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 prior to the first day of the origination period.

(d) "Metropolitan area" means a metropolitan statistical area as defined by the United States Department of Commerce's Bureau of the Census.

(e) "New housing" means single family housing that has not been previously occupied and has become initially available within sixty days or less of the first day of the origination period.

(f) "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.

(g) "Redevelopment area" means a compact and contiguous area within which the city finds by resolution that 70 percent of the parcels in the area 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.

(h) "Single family housing" means dwelling units eligible to be financed from the proceeds of qualified mortgage revenue bonds under federal law.

(i) "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.

Subd. 2. [LIMITATION; ORIGINATION PERIOD.] During the first ten months of an origination period, the Minnesota housing finance agency or a city may make loans financed with proceeds of mortgage bonds for the purchase of existing housing. Loans financed with the proceeds of mortgage bonds for new housing in the metropolitan area may be made during the first ten months of an origination period only if at least one of the following conditions is met:

(1) the new housing is located in a redevelopment area, and is replacing a structurally substandard structure or structures; or

(2) *the new housing is located on a parcel purchased by the city or conveyed to the city under section 282.01, subdivision 1; or*

(3) *the new housing is part of a housing affordability initiative, other than those financed with the proceeds from the sale of bonds, in which federal, state, or local assistance is used to substantially improve the terms of the financing or to substantially write down the purchase price of the new housing.*

Upon expiration of the first ten-month period, the agency or a city may make loans financed with the proceeds of mortgage bonds for the purchase of new and existing housing.

Subd. 3. [REDEVELOPMENT AREA.] A city must submit to the Minnesota housing finance agency the resolution adopted by the governing body of the city finding an area to be a redevelopment area, and a map of the redevelopment area.

Subd. 4. [LIMITATION; COMMITMENTS AND LOANS TO BUILDERS AND DEVELOPERS.] The Minnesota housing finance agency or a city may not make available, provide set-asides, or commit to make available proceeds of mortgage bonds for the exclusive use of builders or developers for loans to eligible purchasers for new housing except for new housing described in subdivision 2, clauses (1) to (3). This prohibition is in effect for the total origination period.

Subd. 5. [REPORTING REQUIREMENT.] The Minnesota housing finance agency and any city that provides loans for new housing financed with the proceeds of mortgage bonds shall report to the chairs of the appropriate housing related standing committees or divisions of the state senate and house of representatives by January 1 of each year detailing new housing activity financed with the proceeds of mortgage bonds, including a description of affordable housing initiatives, the number of loans, the average purchase price, and average borrower income.

Sec. 8. Minnesota Statutes Second 1989 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, and (4) an application deposit in the amount of one percent of the requested allocation before the last Monday in August, or in the amount of two percent of the requested allocation on or after the last Monday in August, and (5) a public purpose scoring worksheet for small issue applications. An issuer applying for an allocation from the multifamily housing pool who does not sign an agreement requiring that the project comply with the gross rent restrictions of the low-income housing credit program under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1988, must submit an additional application deposit in the amount of two percent of the requested allocation before the last Monday in August, or in the amount of one percent of the requested allocation on or after the last Monday in August. The issuer must pay the application deposit by check. The Minnesota housing finance agency 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 ~~multi-family~~ 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.

(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. 9. Minnesota Statutes 1988, section 474A.061, is amended by adding a subdivision to read:

Subd. 2a. [HOUSING POOL ALLOCATION.] (a) On the first business day that falls on a Monday of the calendar year and on the first Monday in April, the commissioner shall allocate available bonding authority in the housing pool to applications received by the Monday of the previous week for residential rental projects that meet the eligibility criteria under section 6. After April 1, and until April 15, the Minnesota housing finance agency may accept applications from cities for single-family housing programs which meet program requirements as follows:

(1) the housing program must meet a locally identified housing need and be economically viable;

(2) the adjusted income of home buyers cannot exceed the agency's income limits except in a metropolitan statistical area, where the adjusted income of home buyers cannot exceed the greater of the agency's income limits and in no case can the income limit exceed that for the Twin Cities metropolitan statistical area, or 80 percent of the area median income as published by the Department of Housing and Urban Development;

(3) house price limits may not exceed the greater of agency house price limits or 90 percent of the median purchase price in the city for which the bonds are to be sold up to a maximum of 90 percent of the safe harbor limitations for existing housing provided under section 143(e) of the Internal Revenue Code of 1986, as amended through December 31, 1989, except that house price limits may be 90 percent of the safe harbor limitation for existing housing if subsidy is used to reduce the effective purchase price of the property to the above levels. Data establishing the median purchase price in the city must be included in the application by a city requesting house price limits higher than the housing finance agency's house price limits; and

(4) the housing program meets the requirements of section 7.

The Minnesota housing finance agency may accept applications from July 1 to July 15 from cities for single-family housing programs which meet program requirements specified under clauses (1) to (4) if bonding authority is available in the housing pool. The agency and a representative for each applicant shall negotiate the terms of an agreement regarding the allocation of available authority among the applicants. The agreement must allot available bonding authority among the applicants. For purposes of paragraphs (a) to (d), "city" has the meaning given it in section 462C.02, subdivision 6, and "agency" means the Minnesota housing finance agency.

(b) Upon reaching agreement with participating cities, the agency shall forward to the commissioner the amounts allotted to each applicant pursuant to the agreement. The agency may issue bonds on behalf of participating cities. The agency shall request an allocation from the commissioner for all applicants who choose to have the agency issue bonds on their behalf and the commissioner shall allocate the requested amount to the agency. The agency may request an allocation pursuant to the agreement at any time between the first Tuesday after the first Monday in April and the last Monday in August, but may request an allocation no later than the last Monday in August.

(c) A city may choose to issue bonds on its own behalf or through a joint powers agreement and may request an allocation from the commissioner. The commissioner shall allocate the requested amount if sufficient bonding authority is available in the housing pool. If the total amount requested by all applicants exceeds the amount available in the pool, the city may not receive a greater allocation than the amount it would have received under the agreement forwarded by the Minnesota housing finance agency to the commissioner. No city may request or receive an allocation from the commissioner until the agreement under paragraph (b) has been forwarded to the commissioner. Between the first Monday in April and the last Monday in August, no city may receive an allocation from the housing pool which has not first applied to the Minnesota housing finance agency.

(d) If a city issues mortgage bonds from an allocation received under paragraph (c), the issuer must provide for the recycling of funds into new loans. If the issuer is not able to provide for recycling, the issuer must notify the commissioner in writing of the reason that recycling was not possible and the reason the issuer elected not to have the Minnesota housing finance agency issue the bonds. "Recycling" means the use of money generated from the repayment and prepayment of loans for further eligible loans or for the redemption of bonds and the issuance of current refunding bonds.

(e) The total amount of allocation for mortgage bonds for one city is limited to the lesser of (i) \$4,000,000 or (ii) 20 percent of the total amount available for allocation for mortgage bonds from the housing pool after the first Monday in April.

Sec. 10. Minnesota Statutes 1988, section 474A.061, is amended by adding a subdivision to read:

Subd. 2b. [MANUFACTURING POOL ALLOCATION.] From the beginning of the calendar year until the last Monday in August, the commissioner shall allocate available bonding authority from the manufacturing pool on Monday of each week to applications received on or before the Monday of the preceding week. 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 5. Proposed projects that receive 50 points or more are eligible for all of the proposed allocation. Proposed projects that receive less than 50 points are eligible to receive a proportionally reduced share of the proposed authority.

If there are two or more applications for manufacturing projects from the manufacturing pool and there is insufficient bonding authority to provide allocations for all projects in any one week after all eligible bonding

authority has been transferred as provided in section 474A.081, the available bonding authority shall be awarded by lot unless otherwise agreed to by the respective issuers.

Sec. 11. Minnesota Statutes 1988, section 474A.061, is amended by adding a subdivision to read:

Subd. 2c. [PUBLIC FACILITIES POOL ALLOCATION.] From the beginning of the calendar year until the last Monday in August, the commissioner shall allocate available bonding authority from the public facilities pool on Monday of each week to applications for eligible public facilities projects received on or before the Monday of the preceding week. If there are two or more applications for public facilities projects from the pool and there is insufficient bonding authority to provide allocations for all projects in any one week after all eligible bonding authority has been transferred as provided in section 474A.081, the available bonding authority shall be awarded by lot unless otherwise agreed to by the respective issuers.

Sec. 12. Minnesota Statutes 1988, 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 ~~Monday~~ ~~Tuesday~~ in September only if the issuer has submitted to the department before the first ~~Monday~~ ~~Tuesday~~ in September 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. *The Minnesota housing finance agency may retain an unused portion of an allocation after the first Tuesday in September without submitting an additional deposit.**

Sec. 13. Minnesota Statutes Second 1989 Supplement, section 474A.061, subdivision 4, is amended to read:

*Subd. 4. [RETURN OF ALLOCATION; DEPOSIT REFUND.] (a) If an issuer that receives an allocation under this section determines that it will not issue obligations equal to all or a portion of the allocation received under this section ~~by the end of the current year~~ *within 90 days of allocation* or within the time period permitted by federal tax law, *whichever is less*, the issuer must notify the department. If the issuer notifies the department *or the 90-day period since allocation has expired* prior to the last Monday in August, the amount of allocation *is canceled and returned* ~~must be reallocated~~ *for reallocation* through the pool from which it was originally allocated. If the issuer notifies the department *or the 90-day period since allocation has expired* on or after the last Monday in August, the amount of allocation *is canceled and returned* ~~must be reallocated~~ *for reallocation* through the unified pool. If the issuer notifies the department after the last Monday in November, the amount of allocation *is canceled and returned* ~~must be reallocated~~ *for reallocation* to the Minnesota housing finance agency.*

(b) An issuer that returns for reallocation all or a portion of an allocation received under this section *within 90 days of allocation* shall receive within 30 days a refund ~~of all of its application deposits~~ equal to:

(1) one-half of the ~~amount on application~~ *deposit* for the amount of bonding authority returned ~~before the first Monday in November~~ *within*

30 days of receiving allocation;

(2) one-fourth of the ~~amount on application~~ deposit for the amount of bonding authority returned ~~on or after the first Monday in November and before the third Monday in November~~ between 31 and 60 days of receiving allocation; and

(3) one-eighth of the ~~amount on application~~ deposit for the amount of bonding authority returned ~~on or after the third Monday in November and before the last Monday in November~~ between 61 and 90 days of receiving allocation.

No refund shall be available for allocations returned ~~on or after the last Monday in November~~ 90 or more days after receiving the allocation. This subdivision does not apply to the Minnesota housing finance agency.

Sec. 14. Minnesota Statutes 1988, section 474A.091, subdivision 1, is amended to read:

Subdivision 1. [UNIFIED POOL AMOUNT.] On the day after the last Monday in August any bonding authority remaining unallocated from the manufacturing pool, the ~~multifamily~~ housing pool, and the public facilities pool is transferred to the unified pool and must be reallocated as provided in this section.

Sec. 15. Minnesota Statutes Second 1989 Supplement, section 474A.091, subdivision 2, is amended to read:

Subd. 2. [APPLICATION.] 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, ~~and~~ (4) an application deposit in the amount of two percent of the requested allocation, ~~and (5) a public purpose scoring worksheet for small issue applications. An issuer applying for an allocation for residential rental project bonds who does not sign an agreement requiring that the project comply with the gross rent restrictions of the low-income housing credit program under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1988, must submit an additional application deposit in the amount of one percent of the requested allocation. 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 September. Notwithstanding the restrictions imposed on unified pool allocations after October 1 under subdivision 3, paragraph (c)(2), the Minnesota housing finance agency may be awarded allocations for mortgage bonds from the unified pool after October 1. *The Minnesota housing finance agency may apply for and receive an allocation under this section without submitting an application deposit.*

Sec. 16. Minnesota Statutes Second 1989 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 September 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 October 1, allocations shall be awarded from the unified pool in the following order of priority:

(1) applications for small issue bonds; ~~with preference given to projects to be located in distressed counties designated under section 297A.257;~~

(2) applications for residential rental project bonds; ~~with preference given to issuers agreeing to require that the project comply with the gross rent restrictions of the low-income housing credit program under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1988;~~

(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 September. 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 5. 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 5 are only eligible to receive a proportionally reduced share of the proposed authority. 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 5 with those projects receiving the greatest number of points receiving allocation first.

(c)(1) On the first Monday in October, \$20,000,000 of bonding authority or an amount equal to the total annual amount of bonding authority allocated to the manufacturing pool under section 474A.03, subdivision 1, less the amount allocated to issuers from the manufacturing pool for that year, whichever is less, is reserved within the unified pool for small issue bonds. On the first Monday in October, ~~\$5,000,000~~ \$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 and public facility bonds, ~~three-fourths~~ *seven-eighths* of the remaining available bonding authority is

reserved for small issue bonds and ~~one-fourth~~ *one-eighth* of the remaining available bonding authority is reserved for public facility bonds.

(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; or

~~(iii) 60 percent of the amount initially allocated to the unified pool.~~

An allocation for mortgage bonds may be used for mortgage credit certificates.

After October 1, allocations shall be awarded from the unified pool only for the following types of qualified bonds: small issue bonds, ~~with preference given to manufacturing projects to be located in distressed counties designated under section 297A.257,~~ public facility bonds, 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. 17. Minnesota Statutes 1988, section 474A.091, subdivision 4, is amended to read:

Subd. 4. [~~MORTGAGE BOND SUNSET BONDS.~~] ~~If federal tax law is not amended to permit the issuance of tax-exempt mortgage bonds after December 31, 1988, All remaining bonding authority available for allocation under this section on December 1, 1988, is allocated to the Minnesota housing finance agency. For purposes of this subdivision, "city" has the meaning given it in section 462C.02, subdivision 6. The Minnesota housing finance agency shall reallocate at least 50 percent of the remaining bonding authority available for allocation to cities requesting an allocation on or before November 1, 1988, for the issuance of mortgage bonds. A city may apply for an allocation under this subdivision by submitting to the Minnesota housing finance agency an application on or before November 1, 1988, on forms provided by the agency. After December 1, 1988, any unallocated bonding authority remaining after all city requests are filled is reallocated to the Minnesota housing finance agency for issuance by the agency or for reallocation to a city requesting an allocation on or before November 1, 1988.~~

Sec. 18. Minnesota Statutes 1988, section 474A.091, subdivision 5, is amended to read:

Subd. 5. [RETURN OF ALLOCATION; DEPOSIT REFUND.] (a) If an issuer that receives an allocation under this section determines that it will not issue obligations equal to all or a portion of the allocation received under this section ~~by the end of the current year~~ *within 90 days of the allocation* or within the time period permitted by federal tax law, *whichever is less*, the issuer must notify the department. If the issuer notifies the department ~~or the 90-day period since allocation has expired~~ *prior to the*

last Monday in November, the amount of allocation *is canceled and returned must be reallocated* for reallocation through the unified pool.

(b) An issuer that returns for reallocation all or a portion of an allocation received under this section *within 90 days of the allocation* shall receive within 30 days a refund of its ~~application deposit~~ equal to:

(1) one-half of the ~~amount on application~~ deposit for the amount of bonding authority returned ~~before the first Monday in November~~ *within 30 days of receiving the allocation;*

(2) one-fourth of the ~~amount on application~~ deposit for the amount of bonding authority returned ~~on or after the first Monday in November and before the third Monday in November~~ *between 31 and 60 days of receiving the allocation;* and

(3) one-eighth of the ~~amount on application~~ deposit for the amount of bonding authority returned ~~on or after the third Monday in November and before the last Monday in November~~ *between 61 and 90 days of receiving the allocation.*

No refund of the application deposit shall be available for allocations returned on or after the last Monday in November. *This subdivision does not apply to the Minnesota housing finance agency.*

Sec. 19. Minnesota Statutes 1988, section 474A.131, subdivision 2, is amended to read:

Subd. 2. [CARRYFORWARD NOTICE.] If an issuer intends to carry forward an allocation received under this chapter, it must notify the department *in writing* before the last Monday of December. If the *written* notice of carryforward is not provided within the time required, one-quarter of the amount of the *application* deposit eligible for refund upon filing of the notice of issue under this section is forfeited.

Sec. 20. Minnesota Statutes 1988, section 474A.14, is amended to read:
474A.14 [NOTICE OF AVAILABLE AUTHORITY.]

The department shall publish in the State Register ~~at least twice monthly,~~ a notice of the amount of bonding authority; ~~if any, available for allocation pursuant to sections 474A.061 and 474A.091~~ *in the housing, manufacturing, and public facilities pools as soon after January 1 as possible. The department shall publish in the State Register a notice of the amount of bonding authority available for allocation in the unified pool as soon after September 1 as possible.*

Sec. 21. [SUNSET OF QUALIFIED BONDS.]

Subdivision 1. [TRANSFER.] If federal tax law is not amended by May 31, 1990, to permit the issuance of tax exempt mortgage bonds or small issue bonds past September 30, 1990, all remaining bonding authority available for allocation in housing, manufacturing, and public facilities pools is transferred to the unified pool on the first business day in June and must be reallocated as provided in this section.

Subd. 2. [APPLICATION.] 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, and (4) an application deposit in the amount of two percent of the requested allocation. 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 Minnesota Statutes, 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 June. Notwithstanding the restrictions imposed on the unified pool allocations after July 1 under subdivision 3, paragraph (c), clause (2), the agency may be awarded allocations for mortgage bonds from the unified pool after July 1. The agency may apply for and receive an allocation under this section without submitting an application deposit.

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 June through and on the last Monday in August. 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.

(b) On or before July 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 facilities projects financed with 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 June and must meet the eligibility requirements of section 6. 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.

(c)(1) On the first Monday in July, \$20,000,000 of bonding authority or an amount equal to the total annual amount of bonding authority allocated to the manufacturing pool under Minnesota Statutes, section 474A.03, subdivision 1, less the amount allocated to issuers from the manufacturing pool for that year, whichever is less, is reserved within the unified pool for small issue bonds. On the first Monday in July, \$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 and public facility bonds, 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.

(2) Allocations for mortgage bonds from the unified pool may not exceed:

(i) \$10,000,000 for any one city;

(ii) \$20,000,000 for any number of cities in any one county; or

(iii) 60 percent of the amount initially allocated to the unified pool.

An allocation for mortgage bonds may be used for mortgage credit certificates.

After July 1, allocations shall be awarded from the unified pool only for the following types of qualified bonds: small issue bonds, public facility bonds, 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.

Subd. 4. [REMAINING ALLOCATION.] Any remaining bonding authority that has not been allocated by September 1 in the unified pool shall be allocated to the Minnesota housing finance agency.

Subd. 5. [RETURN OF ALLOCATION; DEPOSIT REFUND.] (a) If an issuer that receives an allocation under this section determines that it will not issue obligations equal to all or a portion of the allocation received under this section within 90 days of the allocation or within the time period permitted by federal tax law, whichever is less, the issuer must notify the department. If the issuer notifies the department or the 90-day period since allocation has expired prior to the last Monday in August, the amount of allocation is canceled and returned for reallocation through the unified pool.

(b) An issuer that returns for reallocation all or a portion of an allocation received under this section within 90 days of the allocation shall receive within 30 days a refund equal to:

(1) one-half of the application deposit for the amount of bonding authority returned within 30 days of receiving the allocation;

(2) one-fourth of the application deposit for the amount of bonding authority returned between 31 and 60 days of receiving the allocation; and

(3) one-eighth of the application deposit for the amount of bonding authority returned between 61 and 90 days of receiving the allocation.

No refund of the application deposit shall be available for allocations returned on or after the last Monday in August.

Sec. 22. [REPEALER.]

Minnesota Statutes 1988, sections 474A.081, as amended by Laws 1989, chapter 328, article 1, section 21; 474A.091, subdivision 4a; and Minnesota Statutes Second 1989 Supplement, section 474A.061, subdivision 2, are repealed. Section 21 is repealed January 1, 1991.

Sec. 23. [EFFECTIVE DATE.]

Sections 1 to 5, 7 to 20, and 22 are effective January 1, 1991. Sections 6 and 21 are effective the day after final enactment."

Delete the title and insert:

"A bill for an act relating to public financing; allocating authority to issue tax exempt revenue bonds; restricting loans from proceeds of mortgage revenue bonds under certain circumstances; amending Minnesota Statutes 1988, sections 474A.02, subdivisions 6, 8, and by adding a subdivision; 474A.03; 474A.061, subdivision 3, and by adding subdivisions; 474A.091, subdivisions 1, 4, and 5; 474A.131, subdivision 2; and 474A.14; Minnesota Statutes Second 1989 Supplement, sections 474A.061, subdivisions 1 and 4; and 474A.091, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 474A; repealing Minnesota Statutes 1988, sections 474A.081, as amended; 474A.091, subdivision 4a; Minnesota Statutes Second 1989 Supplement, section 474A.061, subdivision 2."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1894: A bill for an act relating to environment and natural resources; amending provisions relating to water management organizations; providing legislative commission oversight of the metropolitan water management act; authorizing management and financing of drainage systems under certain laws; exempting certain water planning and implementation costs in the metropolitan area from levy limits; clarifying water management purposes; authorizing counties to remove watershed district managers for just cause; authorizing a technical advisory committee; requiring watershed management organizations to prepare newsletters, annual reports, and audits; providing for preparation of watershed plans and implementation of plans; providing penalties for not implementing plans; authorizing and directing the board of water and soil resources to adopt rules; providing for appeal of plan failures; providing for requests for proposals for certain services; authorizing accumulation of levy proceeds; authorizing establishment of a special tax district in certain areas; requiring a draining system report; appropriating money; amending Minnesota Statutes 1988, sections 110B.28; 110B.30; 112.42, by adding a subdivision; 473.875; 473.876, by adding a subdivision; 473.877, subdivision 1; 473.878, subdivisions 1, 1a, 2, 3, 4, 8, and by adding subdivisions; 473.879, subdivision 2; 473.881; 473.882, subdivision 1; and 473.883, subdivisions 3 and 7; Minnesota Statutes 1989 Supplement, section 473.883, subdivision 6; Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 112 and 473.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 2 to 8, delete section 5

Page 19, delete lines 25 to 30

Page 21, after line 25, insert:

“Sec. 27. [EFFECTIVE DATE.]

Section 8, subdivisions 2 and 3, and section 17 are effective July 1, 1992.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete “exempting certain water”

Page 1, delete line 8

Page 1, line 9, delete “area from levy limits;”

Page 1, line 21, delete everything after the semicolon

Page 1, line 22, delete “district in certain areas;”

Page 1, line 31, delete “Minnesota Statutes Second 1989”

Page 1, line 32, delete everything before “proposing”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 2612: A bill for an act relating to taxation; providing for valuation and property taxation of certain minerals and mining property; exempting clay from the net proceeds tax; providing for the deduction from the net proceeds tax of certain reclamation costs; changing the computation of the production tax for concentrates produced in 1990; amending Minnesota Statutes 1988, sections 272.03, subdivision 1; 273.1104, subdivision 1; 298.015, subdivision 1; 298.017; 298.05; and 298.24, subdivision 1; repealing Minnesota Statutes 1988, section 273.02, subdivision 4; Minnesota Statutes 1989 Supplement, section 273.02, subdivisions 5 and 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 22, delete “including kaolin”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1896: A bill for an act relating to health; providing exemptions from the infectious waste control act; requiring hospitals to accept certain infectious waste; modifying standards for ambulance drivers; requiring adoption of rules setting new standards for recertification of and upgrading to emergency care course certificates; increasing reimbursement for volunteers; authorizing an emergency medical services advisory committee; exempting ambulances from vehicle license fees, registration, and excise taxes; regulating the provision of special transportation services; providing

a tax credit; requiring studies; increasing medical assistance rates for ambulance services; creating a loan forgiveness program for medical students; providing nursing scholarships; creating a loan forgiveness program for advanced practice nurses; providing funding for summer medical interns; encouraging rural medical school applicants; requiring a study of medical assistance reimbursement for physicians; increasing participation in the rural physicians associates program; creating a rural hospital planning and transition grant program; creating a rural hospital subsidy fund; requiring a study of rural health professionals; allowing counties authority to exceed levy limits; appropriating money and increasing the complement; amending Minnesota Statutes 1989 Supplement, sections 116.76, subdivision 9; 116.78, by adding subdivisions; 144.804, subdivisions 1 and 7; 144.809; 144.8091; 168.012, subdivision 1; 168.013, subdivision 1a; and 297B.03; Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 136A; 144; 147; 174; and 290.

Reports the same back with the recommendation that the bill be amended as follows:

Page 11, delete section 12

Page 15, line 22, delete "20" and insert "19"

Renumber the sections of article 1 in sequence

Amend the title as follows:

Page 1, line 13, delete "providing a tax credit;"

Page 1, line 34, after "147;" insert "and" and delete "; and" and insert a period

Page 1, delete line 35

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. No. 2612 was read the second time.

SECOND READING OF HOUSE BILLS

H.F. No. 2457 was read the second time.

MOTIONS AND RESOLUTIONS

Mr. Lessard introduced—

Senate Resolution No. 172: A Senate resolution congratulating the Grand Rapids High School Hockey Team for winning Second Place in the 1990 State High School Hockey Tournament.

Referred to the Committee on Rules and Administration.

Mr. Lessard introduced—

Senate Resolution No. 173: A Senate resolution congratulating the International Falls High School Girls Basketball Team on participating in the Class AA Girls State Basketball Tournament.

Referred to the Committee on Rules and Administration.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 354 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 354: A bill for an act relating to trusts; permitting the creation of custodial trusts; adopting the uniform custodial trust act; proposing coding for new law as Minnesota Statutes, chapter 529.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.E.	McQuaid	Purfeerst
Anderson	Decker	Johnson, D.J.	Mehrkens	Ramstad
Beckman	DeCramer	Knaak	Merriam	Reichgott
Belanger	Dicklich	Kroening	Metzen	Renneke
Benson	Diessner	Laidig	Moe, R.D.	Schmitz
Berglin	Flynn	Langseth	Morse	Solon
Bernhagen	Frank	Lantry	Novak	Spear
Bertram	Frederick	Larson	Olson	Storm
Brataas	Frederickson, D.J.	Lessard	Pariseau	Stumpf
Chmielewski	Frederickson, D.R.	Luther	Piepho	Vickerman
Cohen	Freeman	Marty	Piper	Waldorf
Dahl	Hughes	McGowan	Pogemiller	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2124 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2124: A bill for an act relating to traffic regulations; changing allowed dimensions of travel trailers; requiring brakes on certain vehicles weighing 3,000 pounds or more; amending Minnesota Statutes 1988, section 169.67, subdivision 3; Minnesota Statutes 1989 Supplement, sections 168.011, subdivision 8; and 169.67, subdivision 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Decker	Knaak	Metzen	Samuelson
Beckman	DeCramer	Kroening	Morse	Schmitz
Belanger	Dicklich	Laidig	Novak	Solon
Benson	Diessner	Langseth	Olson	Spear
Berg	Frank	Lantry	Pariseau	Storm
Bernhagen	Frederick	Larson	Pehler	Stumpf
Bertram	Frederickson, D.J.	Lessard	Piper	Vickerman
Brataas	Frederickson, D.R.	Luther	Pogemiller	Waldorf
Chmielewski	Freeman	Marty	Purfeerst	
Cohen	Hughes	McGowan	Ramstad	
Dahl	Johnson, D.E.	McQuaid	Reichgott	
Davis	Johnson, D.J.	Mehrkens	Renneke	

Mrs. Adkins and Mr. Merriam voted in the negative.

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2393 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2393: A bill for an act relating to consumer protection; regulating automatic garage door systems in residential buildings; providing standards; providing penalties and remedies; amending Minnesota Statutes 1989 Supplement, section 16B.61, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 325F.

Mr. Solon moved that the amendment made to H.F. No. 2393 by the Committee on Rules and Administration in the report adopted March 26, 1990, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Solon moved to amend H.F. No. 2393 as follows:

Page 4, line 2, delete "*repair*,"

Page 4, line 29, delete "*stamp, stencil, mark, or brand*" and insert "*clearly identify*"

Page 4, line 30, delete "*in a clear and conspicuous manner*,"

Page 5, line 18, delete "*January 1, 1991*" and insert "*July 1, 1990*"

The motion prevailed. So the amendment was adopted.

Mr. Merriam moved to amend H.F. No. 2393 as follows:

Page 5, delete lines 15 to 18

The motion prevailed. So the amendment was adopted.

H.F. No. 2393 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Merriam	Purfeerst
Anderson	Davis	Knaak	Metzen	Ramstad
Beckman	Decker	Kroening	Moe, D.M.	Reichgott
Belanger	DeCramer	Laidig	Moe, R.D.	Renneke
Benson	Dicklich	Langseth	Morse	Samuelson
Berg	Diessner	Lantry	Novak	Schmitz
Berglin	Flynn	Larson	Olson	Solon
Bernhagen	Frank	Lessard	Pariseau	Spear
Bertram	Frederick	Luther	Pehler	Storm
Brandl	Frederickson, D.J.	Marty	Peterson, R. W.	Stumpf
Brataas	Frederickson, D.R.	McGowan	Piepho	Vickerman
Chmielewski	Hughes	McQuaid	Piper	Waldorf
Cohen	Johnson, D.E.	Mehrkens	Pogemiller	

So the bill, as amended, passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1758 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1758: A bill for an act relating to health; requiring the licensing of wholesale drug distributors; providing penalties; amending Minnesota Statutes 1988, sections 151.06, subdivision 1; and 151.25; proposing coding for new law in Minnesota Statutes, chapter 151.

Mr. Morse moved to amend S.F. No. 1758 as follows:

Page 1, after line 7, insert:

“Section 1. [PURPOSE.]

The legislature finds that biosynthetic bovine somatotropin has not been fully researched to provide conclusive evidence about the human and animal health effects. In the public interest, the legislature intends biosynthetic bovine somatotropin to be closely regulated and administered only in research or necessary medical circumstances for three years after the effective date of sections 2 to 4.

Sec. 2. Minnesota Statutes 1988, section 151.01, subdivision 28, is amended to read:

Subd. 28. [VETERINARY LEGEND DRUG.] “Veterinary legend drug” means *biosynthetic bovine somatotropin (BST) until three years after the effective date of section or a drug that is required by federal law to bear the following statement: “Caution: Federal law restricts this drug to use by or on the order of a licensed veterinarian.”*”

Page 3, after line 21, insert:

“Sec. 4. Minnesota Statutes 1988, section 151.15, subdivision 3, is amended to read:

Subd. 3. [UNLICENSED PERSONS; VETERINARY LEGEND DRUGS.] It shall be unlawful for any person other than a licensed veterinarian or pharmacist to compound or dispense veterinary legend drugs except as provided in this chapter. *Until three years after the effective date of this section, a veterinarian or veterinarian's assistant may use biosynthetic bovine somatotropin (BST) for medical or research purposes only. Biosynthetic bovine somatotropin (BST) may not be dispensed to, used by, or administered by a person who is not a licensed veterinarian or a veterinarian's assistant under the veterinarian's supervision.*”

Page 4, line 6, after "drugs" insert "*or biosynthetic bovine somatotropin (BST) until three years after the effective date of this section*"

Page 10, line 2, delete "1 to 11" and insert "3, and 5 to 14"

Page 10, after line 2, insert:

"Sections 2 and 4 and the portion of section 5 that relates to biosynthetic bovine somatotropin (BST) are effective 30 days after the commissioner of agriculture publishes notice in the State Register that states having 20 percent or more of milk production as determined by the United States Department of Agriculture statistics for 1987 have adopted provisions that restrict general use of biosynthetic bovine somatotropin (BST)."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Mr. Knaak questioned whether the amendment was germane. The President ruled that the amendment was germane.

Mr. DeCramer moved to amend the Morse amendment to S.F. No. 1758 as follows:

Page 1, delete lines 3 to 10

Page 1, line 11, delete "Sec. 2." and insert "'Section 1."

Page 1, line 20, delete "4" and insert "3"

Page 1, line 36, delete "3" and insert "2" and delete "5" and insert "4"

Page 2, line 1, delete "14" and insert "13"

Page 2, line 3, delete "2 and 4" and insert "1 and 3" and delete "5" and insert "4"

Page 2, line 6, delete "20" and insert "40"

The motion did not prevail. So the amendment to the amendment was not adopted.

Mr. Morse moved to amend the Morse amendment to S.F. No. 1758 as follows:

Page 2, line 18, delete "1987" and insert "1988"

Page 2, line 19, after the period, insert "*Notwithstanding this section and sections 2 and 4 and the portion of section 5 that relates to biosynthetic bovine somatotropin, if the commissioner of agriculture publishes notice in the State Register that states having less than 20 percent of milk production as determined by the United States Department of Agriculture statistics for 1988 have adopted provisions that restrict general use of biosynthetic bovine somatotropin, sections 2 and 4 and the portion of section 5 that relates to biosynthetic bovine somatotropin have no effect and biosynthetic bovine somatotropin may be sold for general use.*"

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Merriam moved to amend the Morse amendment to S.F. No. 1758 as follows:

Page 1, line 10, after "4" insert "*of this act*"

Page 1, line 15, after "section" insert "*4 of this act*"

Page 1, line 26, delete "this" and after "section" insert "4 of this act"

Page 1, line 35, delete "this" and after "section" insert "2 of this act"

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the Morse amendment, as amended.

The roll was called, and there were yeas 35 and nays 29, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Hughes	Luther	Pogemiller
Anderson	DeCramer	Johnson, D.J.	Marty	Reichgott
Beckman	Dicklich	Kroening	Merriam	Schmitz
Berglin	Flynn	Laidig	Moe, D.M.	Solon
Bertram	Frank	Langseth	Moe, R. D.	Spear
Chmielewski	Frederickson, D.J.	Lantry	Morse	Stumpf
Cohen	Freeman	Larson	Pehler	Vickerman

Those who voted in the negative were:

Belanger	Dahl	Johnson, D.E.	Metzen	Purfeerst
Benson	Decker	Knaak	Novak	Ramstad
Berg	Diessner	Lessard	Olson	Renneke
Bernhagen	Frederick	McGowan	Pariseau	Samuelson
Brandl	Frederickson, D.R.	McQuaid	Peterson, R. W.	Storm
Brataas	Gustafson	Mehrken	Piepho	

The motion prevailed. So the Morse amendment, as amended, was adopted.

S.F. No. 1758 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 48 and nays 16, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Laidig	Metzen	Samuelson
Anderson	Dicklich	Langseth	Moe, D.M.	Schmitz
Beckman	Flynn	Lantry	Moe, R. D.	Solon
Belanger	Frank	Larson	Morse	Spear
Berglin	Frederickson, D.J.	Lessard	Novak	Storm
Bertram	Freeman	Luther	Pehler	Stumpf
Chmielewski	Hughes	Marty	Peterson, R. W.	Vickerman
Cohen	Johnson, D.J.	McGowan	Pogemiller	Waldorf
Dahl	Knaak	McQuaid	Ramstad	
Davis	Kroening	Merriam	Reichgott	

Those who voted in the negative were:

Benson	Brataas	Frederick	Mehrken	Piepho
Berg	Decker	Frederickson, D.R.	Olson	Purfeerst
Bernhagen	Diessner	Johnson, D.E.	Pariseau	Renneke
Brandl				

So the bill, as amended, passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate revert to the Orders of Business of Reports of Committees and Second Reading of Senate Bills. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Moe, R.D. from the Committee on Rules and Administration, pursuant to Rule 40 and on request of Mr. Waldorf, first author, recommends that

S.F. No. 1688: A bill for an act relating to health; preventing abortions for birth control purposes; requiring informed consent for abortions; proposing coding for new law in Minnesota Statutes, chapter 145.

be withdrawn from the Committee on Health and Human Services and be re-referred to the Committee on Judiciary. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S.F. No. 2282: A bill for an act relating to contracts; providing for enforcement of certain contracts; proposing coding for new law as Minnesota Statutes, chapter 338.

Reports the same back with the recommendation that the report from the Committee on Employment, shown in the Journal for March 20, 1990, be adopted; that committee recommendation being:

“the bill do pass”. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred for proper reference under Rule 35:

S.F. No. 2320 reports the same back with the recommendation that the bill be re-referred as follows:

S.F. No. 2320 to the Committee on Health and Human Services.

Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S.F. No. 1847: A bill for an act relating to human rights; amending definitions of public accommodation, age, and familial status; clarifying medical information obtainable from prospective employees; clarifying protection for pregnant employees; prohibiting threats against home owners and renters; adding familial status as a protected class in employment; prohibiting discriminatory business practices; clarifying the meaning of business necessity and continuing violations; renumbering definitions; amending Minnesota Statutes 1988, sections 363.01, subdivisions 18 and 28; 363.03, subdivisions 2, 8a, and by adding a subdivision; 363.06, subdivision 1, and by adding a subdivision; 363.11; and 363.116; Minnesota Statutes 1989 Supplement, sections 363.01, subdivision 31; 363.02, subdivision 1; and 363.03, subdivision 1.

Reports the same back with the recommendation that the report from the Committee on Judiciary, shown in the Journal for March 22, 1990, be

adopted; that committee recommendation being:

“the bill be amended and when so amended the bill do pass”. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 2282 and 1847 were read the second time.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bill was read the first time and referred to the committee indicated.

Mr. Piepho introduced—

S.F. No. 2616: A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 1; providing that state spending may not increase at a greater rate than allowed by the constitution.

Referred to the Committee on Finance.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2012 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2012: A bill for an act relating to agriculture; providing that checkoff fees from certain potato producers are not refundable; amending Minnesota Statutes 1988, section 17.63.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 8, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Johnson, D.J.	McQuaid	Samuelson
Beckman	Dicklich	Knaak	Mehrkens	Schmitz
Belanger	Diessner	Kroening	Metzen	Solon
Berglin	Flynn	Laidig	Moe, R.D.	Storm
Bernhagen	Frank	Langseth	Novak	Stumpf
Bertram	Frederick	Lantry	Pehler	Vickerman
Brandl	Frederickson, D.J.	Larson	Peterson, R.W.	Waldorf
Brataas	Frederickson, D.R.	Lessard	Piper	
Chmielewski	Gustafson	Luther	Ramstad	
Cohen	Hughes	Marty	Reichgott	
Decker	Johnson, D.E.	McGowan	Renneke	

Those who voted in the negative were:

Anderson	Berg	Merriam	Pariseau	Piepho
Benson	Davis	Olson		

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2374 a Special Order to be heard

immediately.

SPECIAL ORDER

H.F. No. 2374: A bill for an act relating to agriculture; changing the makeup of potato research and promotion councils; providing for the certification of seed potatoes; amending Minnesota Statutes 1988, section 17.54, subdivision 9; proposing coding for new law in Minnesota Statutes, chapter 21.

Mr. Moe, R.D. moved to amend H.F. No. 2374, as amended pursuant to Rule 49, adopted by the Senate March 23, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 1889.)

Page 1, line 15, strike "Hubbard," and insert "and" and strike ", and Ottertail"

Page 2, after line 7, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 relating to the removal of Hubbard and Ottertail counties from area one is effective July 1, 1991."

The motion prevailed. So the amendment was adopted.

Mr. Frederick moved to amend H.F. No. 2374, as amended pursuant to Rule 49, adopted by the Senate March 23, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 1889.)

Page 2, after line 7, insert:

"Sec. 2. [21.1196] ["GROWER'S OWN" SEED POTATOES.]

Subdivision 1. [CERTIFICATION OF SEED POTATOES AND PLOT.] A potato grower in Freeborn, Steele, or Mower county may seek certification of seed potatoes grown by the potato grower exclusively for the grower's own use and not for sale.

A seed plot used to produce potatoes under this subdivision must pass all the requirements for certification of seed potatoes under section 21.1195 and rules adopted by the commissioner.

Subd. 2. ["GROWER'S OWN."] Seed potatoes produced on seed plots certified under subdivision 1 are "grower's own" seed potatoes and must not be sold or exchanged as seed.

Subd. 3. [LIMITATION.] "Grower's own" seed potatoes may not represent more than 15 percent of the acreage a grower plants in potatoes in a year. "Grower's own" seed potatoes may be used to plant all of the grower's potato crop the following year except the following year's "grower's own" seed potato plot."

Renumber the sections in sequence

Amend the title accordingly

The motion did not prevail. So the amendment was not adopted.

H.F. No. 2374 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 55 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Johnson, D.E.	McQuaid	Piper
Anderson	Dahl	Knaak	Mehrkens	Pogemiller
Beckman	Davis	Kroening	Merriam	Ramstad
Belanger	Decker	Laidig	Metzen	Reichgott
Benson	Diessner	Langseth	Moe, R.D.	Renneke
Berg	Flynn	Lantry	Morse	Samuelson
Berglin	Frank	Larson	Novak	Schmitz
Bernhagen	Frederickson, D.J.	Lessard	Olson	Spear
Bertram	Frederickson, D.R.	Luther	Pariseau	Storm
Brataas	Gustafson	Marty	Peterson, R.W.	Stumpf
Chmielewski	Hughes	McGowan	Piepho	Vickerman

Mr. Frederick voted in the negative.

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2084 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2084: A bill for an act relating to statutes; revising the text of certain laws to remove redundant and obsolete language, to simplify grammar and syntax, and to improve the style of language without causing changes in the meaning of the laws; amending Minnesota Statutes 1988, chapters 367, as amended; and 368, as amended.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Hughes	McGowan	Piper
Anderson	Dahl	Johnson, D.E.	McQuaid	Pogemiller
Beckman	Davis	Knaak	Mehrkens	Ramstad
Belanger	Decker	Kroening	Merriam	Renneke
Berg	Diessner	Laidig	Metzen	Samuelson
Berglin	Flynn	Langseth	Moe, R.D.	Schmitz
Bernhagen	Frank	Lantry	Morse	Spear
Bertram	Frederick	Larson	Novak	Storm
Brandl	Frederickson, D.J.	Lessard	Olson	Stumpf
Brataas	Frederickson, D.R.	Luther	Pariseau	Vickerman
Chmielewski	Gustafson	Marty	Peterson, R.W.	Waldorf

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2493 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2493: A bill for an act relating to insurance; promoting availability of automobile insurance for family or group family day care providers; amending Minnesota Statutes 1988, sections 65B.47, subdivision 1; and 65B.49, by adding a subdivision.

Mr. Merriam moved to amend S.F. No. 2493 as follows:

Page 1, delete section 1 and insert:

“Section 1. Minnesota Statutes 1988, section 65B.47, subdivision 1, is amended to read:

Subdivision 1. In case of injury to the driver or other occupant of a motor vehicle ~~other than a commuter van, or other than a vehicle being used to transport children to school or to a school sponsored activity or other bus while it is in operation within the state of Minnesota as to any Minnesota resident who is an insured as defined in section 65B.43, subdivision 5,~~ if the accident causing the injury occurs while the vehicle is being used in the business of transporting persons or property, the security for payment of basic economic loss benefits is the security covering the vehicle or, if none, the security under which the injured person is an insured.

Sec. 2. Minnesota Statutes 1988, section 65B.47, is amended by adding a subdivision to read:

Subd. 1a. [EXEMPTIONS.] Subdivision 1 does not apply to:

(1) a commuter van;

(2) a vehicle being used to transport children as part of a family or group family day care program;

(3) a vehicle being used to transport children to school or to a school-sponsored activity; or

(4) a bus while it is in operation within the state of Minnesota as to any Minnesota resident who is an insured as defined in section 65B.43, subdivision 5.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after “1” insert “, and by adding a subdivision”

The motion prevailed. So the amendment was adopted.

S.F. No. 2493 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Hughes	McGowan	Pogemiller
Anderson	Dahl	Johnson, D.E.	McQuaid	Ramstad
Beckman	Decker	Johnson, D.J.	Mehrkens	Reichgott
Belanger	DeCramer	Knaak	Merriam	Renneke
Benson	Dicklich	Kroening	Morse	Samuelson
Berg	Flynn	Laidig	Novak	Spear
Berglin	Frank	Langseth	Olson	Storm
Bernhagen	Frederick	Lantry	Pariseau	Stumpf
Bertram	Frederickson, D.J.	Larson	Pehler	Vickerman
Brandl	Frederickson, D.R.	Lessard	Peterson, R.W.	Waldorf
Brataas	Freeman	Luther	Piepho	
Chmielewski	Gustafson	Marty	Piper	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2637 a Special Order to be heard

immediately.

SPECIAL ORDER

H.F. No. 2637: A bill for an act relating to insurance; clarifying the law prohibiting insurers from maintaining subrogation actions against insureds; amending Minnesota Statutes 1989 Supplement, section 60A.41.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Hughes	McQuaid	Pogemiller
Anderson	Dahl	Johnson, D.E.	Mehrkens	Ramstad
Beckman	Decker	Johnson, D.J.	Merriam	Reichgott
Belanger	DeCramer	Knaak	Moe, R.D.	Renneke
Benson	Dicklich	Kroening	Morse	Samuelson
Berg	Flynn	Langseth	Novak	Spear
Berglin	Frank	Lantry	Olson	Storm
Bernhagen	Frederick	Larson	Pariseau	Stumpf
Bertram	Frederickson, D.J.	Lessard	Pehler	Vickerman
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Waldorf
Brataas	Freeman	Marty	Piepho	
Chmielewski	Gustafson	McGowan	Piper	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2386 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2386: A bill for an act relating to solid waste management; granting authority to St. Louis county; providing an exemption from the bond requirement for a contract for the construction of a solid waste facility in Kanabec county under certain circumstances; proposing coding for new law in Minnesota Statutes, chapter 383C.

Mr. Dicklich moved that the amendment made to H.F. No. 2386 by the Committee on Rules and Administration in the report adopted March 26, 1990, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 2386 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Johnson, D.J.	Mehrkens	Pogemiller
Anderson	Decker	Knaak	Merriam	Ramstad
Beckman	Dicklich	Kroening	Moe, R.D.	Reichgott
Belanger	Flynn	Langseth	Morse	Renneke
Benson	Frank	Lantry	Novak	Samuelson
Berg	Frederick	Larson	Olson	Spear
Berglin	Frederickson, D.R.	Lessard	Pariseau	Storm
Bernhagen	Freeman	Luther	Pehler	Stumpf
Bertram	Gustafson	Marty	Peterson, R.W.	Vickerman
Brandl	Hughes	McGowan	Piepho	
Brataas	Johnson, D.E.	McQuaid	Piper	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2433 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2433: A bill for an act relating to metropolitan government; authorizing certain investments by the metropolitan airports commission; authorizing the metropolitan council to review and approve changes in certain land uses relating to metropolitan airport development; amending Minnesota Statutes 1988, section 473.606, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 473.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 5, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Gustafson	McQuaid	Samuelson
Anderson	Davis	Hughes	Mehrkens	Schmitz
Beckman	Decker	Johnson, D.E.	Metzen	Spear
Belanger	DeCramer	Johnson, D.J.	Moe, R.D.	Storm
Benson	Diessner	Kroening	Morse	Stumpf
Berg	Flynn	Langseth	Pehler	Vickerman
Berglin	Frank	Lantry	Peterson, R.W.	Waldorf
Bernhagen	Frederick	Larson	Piepho	
Bertram	Frederickson, D.J.	Luther	Pogemiller	
Brandl	Frederickson, D.R.	Marty	Reichgott	
Chmielewski	Freeman	McGowan	Renneke	

Those who voted in the negative were:

Knaak	Novak	Olson	Pariseau	Ramstad
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So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2462 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2462: A bill for an act relating to state government; regulating administrative procedures; including a statement of purpose; requiring agencies to send the LCRAR copies of statements of need and reasonableness; requiring an agency to provide notice of the hearing to those who requested it; making various technical changes; amending Minnesota Statutes 1988, sections 14.03; 14.131; 14.23; and 14.25; Minnesota Statutes

1989 Supplement, section 14.02, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 14.

Mr. Belanger moved to amend H.F. No. 2462, as amended pursuant to Rule 49, adopted by the Senate March 26, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2252.)

Page 2, line 11, reinstate the stricken language

The motion prevailed. So the amendment was adopted.

H.F. No. 2462 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Johnson, D.E.	Mehrkens	Pogemiller
Anderson	Dahl	Johnson, D.J.	Merriam	Ramstad
Beckman	Davis	Knaak	Metzen	Reichgott
Belanger	Decker	Kroening	Moe, R. D.	Renneke
Benson	DeCramer	Laidig	Morse	Samuelson
Berg	Diessner	Langseth	Novak	Schmitz
Berglin	Flynn	Lantry	Olson	Spear
Bernhagen	Frank	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Luther	Pehler	Stumpf
Brandl	Frederickson, D.R.	Marty	Peterson, R. W.	Vickerman
Brataas	Freeman	McGowan	Piepho	
Chmielewski	Gustafson	McQuaid	Piper	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1874 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1874: A bill for an act relating to meetings of public bodies; government data practices; defining final disposition of a disciplinary action regarding personnel records; making clear that meetings may not be closed on the basis of data classification statutes; providing an exception to the open meeting law for preliminary discussions concerning allegations of misconduct against government employees or evaluations of government employees; amending Minnesota Statutes 1988, sections 13.43, subdivision 2; and 471.705, by adding subdivisions.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McGowan	Piper
Anderson	Davis	Johnson, D.E.	McQuaid	Pogemiller
Beckman	Decker	Johnson, D.J.	Mehrkens	Ramstad
Belanger	DeCramer	Knaak	Merriam	Reichgott
Benson	Diessner	Kroening	Metzen	Renneke
Berg	Flynn	Laidig	Moe, R.D.	Samuelson
Berglin	Frank	Langseth	Morse	Schmitz
Bernhagen	Frederick	Lantry	Olson	Spear
Bertram	Frederickson, D.J.	Larson	Pariseau	Storm
Brataas	Frederickson, D.R.	Lessard	Pehler	Stumpf
Chmielewski	Freeman	Luther	Peterson, R.W.	Vickerman
Cohen	Gustafson	Marty	Piepho	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate revert to the Orders of Business of Reports of Committees and Second Reading of Senate Bills. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was re-referred

S.F. No. 1790: A bill for an act relating to health; establishing a legislative task force to study the regulation of health insurance premium rates and health care costs.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Joint Rule 2.03, together with the committee report thereon,

S.F. No. 2468: A bill for an act relating to agriculture; requiring certain disclosures about artificial cheese; proposing coding for new law in Minnesota Statutes, chapter 31.

Reports the same back with the recommendation that the report from the Committee on Agriculture and Rural Development, shown in the Journal for March 21, 1990, be adopted; that committee recommendation being:

“the bill be amended and when so amended the bill do pass”. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was re-referred

S.F. No. 2188: A bill for an act relating to children; creating a legislative commission on children; providing improved procedures to protect the safety and welfare of abused and neglected children; improving data practices; including mental injuries and threatened injuries as abuse to be reported as maltreatment of minors; increasing penalties for assault against a child when there is a past pattern of child abuse; increasing the penalty for

malicious child punishment resulting in great bodily harm; excluding persons convicted of child abuse or criminal sexual conduct seeking employment in juvenile corrections from certain protections for criminal offenders; appropriating money; amending Minnesota Statutes 1988, sections 147.09; 260.011, subdivision 2; 260.155, subdivision 1; 609.379, subdivision 2; 626.556, subdivisions 1, 3, and by adding a subdivision; 626.559, subdivision 2; Minnesota Statutes 1989 Supplement, sections 245A.04, subdivision 3; 260.161, subdivision 2; 260.171, subdivision 4; 260.221, subdivision 1; 364.09; 609.223; 609.377; 626.556, subdivisions 2, 10e, and 11; and 626.558, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 3; 144; 245; and 626.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1790 and 2468 were read the second time.

MEMBERS EXCUSED

Ms. Piper was excused from the Session of today from 3:00 to 3:45 p.m. Mr. Moe, D.M. was excused from the Session of today at 3:00 p.m. Messrs. Purfeerst and Solon were excused from the Session of today at 4:00 p.m. Mr. Gustafson was excused from the Session of today from 1:30 to 3:15 p.m. Mr. Lessard was excused from the Session of today from 4:15 to 4:50 p.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Wednesday, March 28, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTY-NINTH DAY

St. Paul, Minnesota, Wednesday, March 28, 1990

The Senate met at 12:00 noon and was called to order by the President.

CALL OF THE SENATE

Mr. Frederick imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. M.E. Sandness.

The roll was called, and the following Senators answered to their names:

Adkins	Dahl	Johnson, D.E.	Mehrkens	Ramstad
Anderson	Davis	Johnson, D.J.	Merriam	Reichgott
Beckman	Decker	Knaak	Metzen	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received.

March 23, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. No. 956.

Sincerely,
Rudy Perpich, Governor

March 26, 1990

The Honorable Robert E. Vanasek
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 1990 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 1990	Date Filed 1990
	1555	358	1531 hours March 23	March 23
956		359	1530 hours March 23	March 23

Sincerely,
Joan Anderson Growe
Secretary of State

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S.F. No. 2370.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 27, 1990

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 2432: A bill for an act relating to crimes; requiring cemetery owners to report unlawful removal of bodies to law enforcement authorities and next of kin of the deceased person; prescribing penalties; amending Minnesota Statutes 1988, section 609.502; Minnesota Statutes 1989 Supplement, section 13.82, subdivision 10.

Senate File No. 2432 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 27, 1990

CONCURRENCE AND REPASSAGE

Mr. McGowan moved that the Senate concur in the amendments by the House to S.F. No. 2432 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 2432 was read the third time, as amended by the House, and

placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Decker	Johnson, D.J.	Metzen	Ramstad
Beckman	Dicklich	Knaak	Moe, R.D.	Renneke
Belanger	Flynn	Langseth	Morse	Samuelson
Benson	Frank	Lantry	Novak	Schmitz
Berglin	Frederick	Larson	Olson	Spear
Bertram	Frederickson, D.R.	Lessard	Pariseau	Storm
Chmielewski	Freeman	McGowan	Pehler	Stumpf
Dahl	Gustafson	McQuaid	Piepho	Vickerman
Davis	Hughes	Mehrkens	Piper	Waldorf

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 60, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 60: A bill for an act relating to water; recodifying, clarifying, and relocating provisions relating to water law; amending Minnesota Statutes 1988, sections 9.071; 16B.62, subdivision 1; 18.191; 18B.07, subdivision 6; 40A.13, subdivision 1; 41B.039, subdivision 3; 84.083, by adding subdivisions; 84.91, subdivision 4; 84.911, subdivisions 5 and 6; 84.95, subdivision 2; 85.33, subdivision 3; 86A.05, subdivision 10; 88.43, subdivision 2; 93.335, subdivision 1; 94.343, subdivision 4; 97A.015, subdivision 41; 97A.071, subdivision 4; 97A.101, subdivision 2; 115.097, subdivision 2; 144.95, subdivision 4; 156A.10, subdivision 2; 161.28, subdivision 1; 163.17; 272.02, subdivisions 1 and 6; 273.19, subdivision 5; 295.44, subdivision 1; 357.021, subdivision 2; 375.471; 383A.602, subdivision 5; 383A.604, subdivision 1; 394.25, subdivision 2; 459.20; 462.357, subdivision 1; 465.20; 469.141, subdivision 4; 469.174, subdivision 19; 471.345, subdivision 3; 471.591, subdivision 1; 471.98, subdivision 2; 473.191, subdivision 2; 609.68; and 645.44, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 83A; 97C; 156A; and 383B; proposing coding for new law as Minnesota Statutes, chapters 86B; 103A; 103B; 103C; 103D; 103E; 103F; and 103G; repealing Minnesota Statutes 1988, sections 40.01 to 40.45; 84.031; 84.032; and 84.158; 104.01 to 104.50; 105.37 to 105.81; 106A.005 to 106A.811; 110.13 to 110.72; 110B.01 to 110B.35; 112.34 to 112.89; 114.12 and 114.13; 114B.01 to 114B.07; 116C.41; 361.01 to 361.29; 378.01 to 378.57; 465.18; and 473.875 to 473.883.

Senate File No. 60 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 27, 1990

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1846:

H.F. No. 1846: A bill for an act relating to prostitution; increasing penalties for certain patrons of prostitutes; providing that when a patron uses a motor vehicle during commission of an offense, that fact will be noted on the person's driving record; amending Minnesota Statutes 1988, sections 609.324, subdivisions 2, 3, and by adding subdivisions; and 609.3241.

The House respectfully requests that a Conference Committee of 5 members be appointed thereon.

Wagenius, Kelly, Vellenga, Blatz and Marsh have been appointed as such committee on the part of the House.

House File No. 1846 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 27, 1990

Mr. Moe, R.D. moved that H.F. No. 1846 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1857:

H.F. No. 1857: A bill for an act relating to transportation; providing greater restrictions on eligibility of debarred persons for certain public contracts; increasing scope of interstate motor carrier registration agreements; amending Minnesota Statutes 1988, section 161.315, subdivisions 2 and 3; Minnesota Statutes 1989 Supplement, section 221.601, subdivision 1.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Lieder, Steensma and Carlson, D. have been appointed as such committee on the part of the House.

House File No. 1857 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 27, 1990

Mr. Vickerman moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1857, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following

House File, herewith transmitted: H.F. No. 2478.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 27, 1990

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 2478: A bill for an act relating to the financing and operation of government in Minnesota; updating references to the Internal Revenue Code; changing the computation of aid to local units of governments; modifying the computation and administration of taxes and property tax refunds; providing tax deductions and exemptions; changing the tax rates; authorizing certain local governments to borrow money; providing a food shelf checkoff; changing definition of debt for the revenue recapture act; providing certain rights and remedies to taxpayers; modifying the requirements for the collection and expenditure of tax increments; repealing the increase in the maximum lodging tax; allowing the sale of certain tax forfeited land in Otter Tail county; allowing the cities of Bayport, Windom, and Jackson and the counties of Goodhue, Douglas, and Koochiching to levy taxes for certain purposes; requiring certain uses of tax increments by the city of Minneapolis; exempting the city of Moorhead from certain requirements; permitting the cities of Bloomington and Roseville to impose lodging taxes; changing truth-in-taxation requirements; requiring payment of the prevailing wage for financial assistance; requiring reports and studies; imposing and transferring powers and duties; changing certain effective dates; increasing certain fees; providing for payment of the greater Minnesota landfill fee; imposing a minimum fee on corporations; providing for withholding of certain refunds; requiring an appropriation by the metropolitan sports facilities commission; reducing and transferring appropriations; canceling certain debts; appropriating money; amending Minnesota Statutes 1988, sections 270.07, by adding a subdivision; 270.70, subdivisions 1, 2, 4, 8, and by adding subdivisions; 270.701, by adding a subdivision; 270.709, subdivision 1; 270A.03, subdivisions 2 and 5; 271.12; 271.19; 273.11, by adding a subdivision; 273.124, by adding a subdivision; 273.1398, by adding a subdivision; 273.42, subdivision 1; 275.065, by adding a subdivision; 276.111; 277.15; 279.03, subdivision 2, and by adding a subdivision; 279.06; 281.17; 282.01, subdivision 4; 282.014; 282.261, subdivision 2; 289A.11, as added, by adding a subdivision; 290.431; 290.50, by adding a subdivision; 290A.10; 290A.19; 296.02, subdivision 1a; 296.025, subdivision 1a; 296.06, subdivision 2; 296.12, subdivisions 1 and 2; 296.17, subdivisions 10 and 17; 297.07, subdivision 5; 297A.01, subdivision 15; 297A.25, by adding a subdivision; 298.015, subdivision 1; 298.017; 298.05; 298.24, subdivision 1; 469.059, subdivision 11; 469.129, subdivision 2; 469.171, by adding a subdivision; 469.174, subdivision 12, and by adding subdivisions; 469.175, subdivision 1a, and by adding subdivisions; 469.176, subdivisions 2 and 3; 469.177, subdivision 8; 477A.011, subdivision 17, and by adding a subdivision; 477A.012, subdivision 1, and by adding a subdivision; 477A.013, by adding a subdivision; 477A.03, subdivision 1; 477A.11, subdivision 4; 477A.13; and 500.24, subdivision 4; Minnesota Statutes 1989 Supplement, sections 270.10, subdivision 1a; 270.69, subdivision 11; 273.11, subdivision 1; 273.112, subdivision 3; 273.124, subdivisions 8 and 9; 275.08, subdivision 1d; 278.05, subdivision

4; 279.01, subdivision 1; 282.01, subdivision 1; 290.01, subdivision 19; 290A.04, subdivision 5; 290A.045, subdivision 7; 375.192, subdivision 2; 383.06; 410.32; 462.396, subdivision 2; 469.175, subdivision 4; 469.176, subdivision 4c; 469.177, subdivision 9; and 469.190, subdivisions 1 and 2; Minnesota Statutes Second 1989 Supplement, sections 3.885, subdivision 8; 60A.15, subdivision 1; 103B.3369, subdivisions 5 and 7; 272.02, subdivision 4; 273.13, subdivisions 22, 23, and 25; 273.1398, subdivisions 1 and 2; 273.371, subdivision 1; 275.065, subdivisions 1 and 6; 275.07, subdivision 1; 275.50, subdivision 5; 275.51, subdivision 3f; 276.09; 276.10; 276.11, subdivision 1; 277.01, subdivision 1; 277.02; 277.05; 277.06; 290.05, subdivision 1; 290.06, subdivision 1; 290.091, subdivision 2; 290.0921, subdivisions 1, 3, and by adding a subdivision; 290A.04, subdivision 2a; 290A.045, subdivision 6; 297A.01, subdivision 3; 297A.44, subdivision 1; 469.174, subdivisions 7 and 10; 469.175, subdivisions 3 and 7; 469.176, subdivisions 1 and 4j; 469.177, subdivision 10; 469.190, subdivision 3; 477A.011, subdivisions 1a and 25; and 477A.013, subdivisions 3 and 5; Laws 1988, chapter 719, article 12, section 30, as amended; Laws 1989, chapters 326, article 3, section 49; and 353, section 13; and Laws 1989, First Special Session chapter 1, articles 3, section 32, subdivisions 1 and 2; 5, section 52; and 10, section 45; proposing coding for new law in Minnesota Statutes, chapters 134; 116J; 268; 270; 273; 290; and 469; repealing Minnesota Statutes 1989 Supplement, sections 115A.922; 115A.923, subdivisions 2, 3, 4, and 5; 115A.924; 115A.925; 115A.927; 115A.928; 290.06, subdivision 1a; and 375.192, subdivision 1; Minnesota Statutes Second 1989 Supplement, 273.1398, subdivision 2b.

Mr. Moe, R.D. moved that H.F. No. 2478 be laid on the table. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report on H.F. No. 493. The motion prevailed.

Mr. Merriam from the Committee on Finance, to which was referred

S.F. No. 1799: A bill for an act relating to higher education; authorizing an appropriation for a parking deck at Moorhead State University to be used to acquire land and construct parking spaces.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Pehler from the Committee on Education, to which was referred

H.F. No. 493: A bill for an act relating to education; requiring a pupil to identify reasons for enrolling in a nonresident district under the enrollment options program; providing a resident district with notice of a pupil's participation under the program; restricting transfers; restricting participation in extracurricular varsity athletic activities in a nonresident district; amending Minnesota Statutes 1988, section 120.062, subdivisions 4, 6, 9, and by adding a subdivision; repealing Minnesota Statutes 1988, section 120.062, subdivision 8.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes Second 1989 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 second prior school year exceeds \$600 times the ~~actual fund balance~~ pupil units in the prior year. *For purposes of this subdivision only, fund balance pupil units means the number of pupil units in average daily membership enrolled in the district, including shared time pupils, according to section 124A.02, subdivision 20, and excluding 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. 2. [124A.32] [AID REDUCTIONS FOR TRA.]

The department of education shall reduce general education or any other aid paid to school districts, intermediate school districts, education districts, education cooperative service units, special education cooperatives, secondary vocational cooperatives, regional management information centers, and any other district or unit providing services to school districts or for elementary or secondary education. The reduction shall equal 1.14 percent of the salaries paid by the entity to members of the teachers retirement association established in chapter 354. However, salaries paid to members of the association who are employed at a technical college shall be excluded from the aid reduction.

Sec. 3. Minnesota Statutes 1989 Supplement, section 275.125, subdivision 11d, is amended to read:

Subd. 11d. [EXTRA CAPITAL EXPENDITURE LEVY FOR LEASING BUILDINGS.] When a district finds it economically advantageous to rent or lease a building, ~~or to purchase a building and site under an installment purchase agreement, lease purchase agreement, or any other deferred payment agreement authorized under section 465.71,~~ for any instructional purposes and it determines that the capital expenditure facilities revenues authorized under section 124.243 are insufficient for this purpose, it may apply to the commissioner for permission to make an additional capital expenditure levy for this purpose. An application for permission to levy under this subdivision must contain financial justification for the proposed levy, the terms and conditions of the proposed lease ~~or agreement,~~ and a description of the space to be leased ~~or purchased according to any type of deferred payment agreement,~~ and its proposed use. The criteria for approval of applications to levy under this subdivision must include: the reasonableness of the price, the appropriateness of the space to the proposed activity, the feasibility of transporting pupils to the *leased* building, conformity of the lease ~~or agreement~~ to the laws and rules of the state of Minnesota, and the appropriateness of the proposed lease ~~or agreement~~ to

the space needs and the financial condition of the district. The commissioner must not authorize a levy under this subdivision in an amount greater than the cost to the district of renting or leasing ~~or purchasing~~ a building for approved purposes. The proceeds of this levy must not be used for ~~leasing or renting a facility owned by a district or for custodial or other maintenance services or to purchase a building newly constructed under an installment purchase agreement, lease purchase agreement, or any other deferred payment agreement authorized under section 465.71.~~

Sec. 4. Minnesota Statutes 1988, section 275.125, is amended by adding a subdivision to read:

Subd. 11f. [LEVY FOR CERTAIN LEASE PURCHASES.] A district may annually levy the amount needed to make payments required by a lease purchase agreement, installment purchase agreement, or other deferred payment agreement authorized by Minnesota Statutes 1989 Supplement, section 465.71, if:

(1) the agreement was approved by the commissioner before July 1, 1990, according to Minnesota Statutes 1989 Supplement, section 275.125, subdivision 11d; or

(2) the district levied in 1989 for the payments.

Sec. 5. Minnesota Statutes 1989 Supplement, section 465.71, is amended to read:

465.71 [INSTALLMENT AND LEASE PURCHASES; CITIES; COUNTIES; SCHOOL DISTRICTS.]

A home rule charter city, statutory city, county, town, or school district may purchase ~~real~~ or personal property under an installment contract, or lease real or personal property with an option to purchase under a lease purchase agreement, by which contract or agreement title is retained by the seller or vendor or assigned to a third party as security for the purchase price, including interest, if any, but such purchases are subject to statutory and charter provisions applicable to the purchase of real or personal property. For purposes of the bid requirements contained in section 471.345, "the amount of the contract" shall include the total of all lease payments for the entire term of the lease under a lease-purchase agreement. The obligation created by a lease purchase agreement ~~or installment contract~~ shall not be included in the calculation of net debt for purposes of section 475.53, ~~shall be deemed to constitute the issuance of an obligation under section 475.58, subdivision 1, clause (6),~~ and shall not constitute debt under any other statutory provision. No election shall be required in connection with the execution of a lease purchase agreement ~~or installment contract~~ authorized by this section. The city, county, town, or school district must have the right to terminate a lease purchase agreement at the end of any fiscal year during its term.

Sec. 6. Laws 1989, chapter 329, article 4, section 19, subdivision 5, is amended to read:

Subd. 5. [EARLY CHILDHOOD FAMILY EDUCATION AID.] For early childhood family education aid according to Minnesota Statutes, section 124.2711:

~~\$9,635,900~~ \$10,490,000 1990

\$10,262,000 1991

The 1990 appropriation includes ~~\$1,235,000~~ \$2,090,000 for 1989 and \$8,400,000 for 1990.

The 1991 appropriation includes \$1,484,000 for 1990 and \$8,778,000 for 1991.

Sec. 7. Laws 1989, chapter 329, article 6, section 53, subdivision 3, is amended to read:

Subd. 3. [COOPERATION AND COMBINATION AID.] For aid for districts that cooperate and combine there is appropriated:

~~\$75,000~~ \$1,192,000 1991.

Sec. 8. [DEPARTMENT OF EDUCATION REDUCTION.]

The appropriation for fiscal year 1991 from the general fund to the department of education in Laws 1989, chapter 329, article 12, section 9, is reduced by \$691,500. The reduction must be allocated among the department's programs by the commissioner of education. The 1991 base used for the budget recommendations for the 1992-1993 biennium shall reflect the reduction.

Sec. 9. [GENERAL EDUCATION AID CANCELLATION.]

Up to \$12,408,000 of the general education aid appropriation for fiscal year 1990 and up to \$14,980,000 of the general education aid appropriation for fiscal year 1991 shall cancel to the general fund. The cancellation shall only occur if the commissioner of education determines that the amounts each year are not needed for general education aid payments to school districts. Any amount canceled shall not be included in the transfer of excess appropriations under Minnesota Statutes, section 124.14, subdivision 7.

Sec. 10. [EFFECTIVE DATE.]

Sections 6 and 9 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to education; altering the pupil units used in calculating fund balance reductions; authorizing a levy for certain purposes; reducing certain state aids; reducing certain appropriations; increasing certain appropriations; appropriating money; amending Minnesota Statutes 1988, section 275.125, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 275.125, subdivision 11d; and 465.71; Minnesota Statutes Second 1989 Supplement, section 124A.26, subdivision 1; Laws 1989, chapter 329, article 4, section 19, subdivision 5; and article 6, section 53, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 124A."

And when so amended the bill do pass and be re-referred to the Committee on Finance.

Pursuant to Joint Rule 2.03, the bill was re-referred to the Committee on Rules and Administration.

SECOND READING OF SENATE BILLS

S.F. No. 1799 was read the second time.

MOTIONS AND RESOLUTIONS

Mr. Morse moved that the name of Mr. Piepho be added as a co-author to S.F. No. 1826. The motion prevailed.

Mr. Cohen moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1874. The motion prevailed.

Mr. Frederickson, D.R. moved that his name be stricken as a co-author to S.F. No. 1899. The motion prevailed.

Mr. Piepho moved that the name of Mr. Decker be added as a co-author to S.F. No. 1899. The motion prevailed.

Mr. Dahl moved that the name of Mr. Novak be added as a co-author to S.F. No. 2175. The motion prevailed.

Mr. Frederick introduced—

Senate Resolution No. 174: A Senate resolution congratulating the Owatonna Indians for winning the 1990 Class AA Boys State High School Basketball Championship.

Referred to the Committee on Rules and Administration.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Merriam, for the Committee on Finance, introduced—

S.F. No. 2617: A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and other agencies with certain conditions; reducing appropriations for the biennium ending June 30, 1991, with certain conditions; providing for the transfer of money in the state treasury; amending Minnesota Statutes 1989 Supplement, section 297B.09, subdivision 1.

Under the rules of the Senate, laid over one day.

Mr. Merriam, for the Committee on Finance, introduced—

S.F. No. 2618: A bill for an act relating to public administration; appropriating money or reducing appropriations to the higher education coordinating board, regents of the University of Minnesota, state university board, state board for community colleges, and state board of vocational technical education, with certain conditions; excepting notification of committee chairs on certain capital projects; establishing a community college at Cambridge; clarifying the duties and powers of the higher education coordinating board; authorizing tuition reciprocity agreements with contiguous Canadian provinces; establishing a state matching grant program to match private gifts to endowment funds; requiring administrative service plans for technical colleges under certain circumstances; changing permitted kinds of investments for the permanent university fund; permitting capital gains of the fund to be used to support endowed academic chairs;

authorizing the purchase of a certain building by the state university board; requiring development of a consumer information system for occupational programs; regulating public post-secondary plans; requiring reports; adjusting contributions to state system retirement plans; amending Minnesota Statutes 1988, sections 136.60; 136.602; 136C.05, by adding a subdivision; 137.022, subdivisions 1 and 3; 352.92, subdivision 2; 352B.02, subdivision 1c; 353.27, subdivision 3a; and 354.42, subdivision 5; Minnesota Statutes 1989 Supplement, sections 16B.335, subdivision 2; 136A.04; 136A.08; 352.04, subdivisions 2 and 3; and 354B.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 136A; repealing Minnesota Statutes 1988, section 353.27, subdivision 3.

Mr. Moe, R.D. moved that S.F No. 2618 be laid on the table. The motion prevailed.

Mr. Dahl, Mrs. Lantry, Messrs. Johnson, D.E. and Merriam introduced—

S.F No. 2619: A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

Referred to the Committee on Finance.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that S.F No. 2618 be taken from the table. The motion prevailed.

S.F No. 2618: A bill for an act relating to public administration; appropriating money or reducing appropriations to the higher education coordinating board, regents of the University of Minnesota, state university board, state board for community colleges, and state board of vocational technical education, with certain conditions; excepting notification of committee chairs on certain capital projects; establishing a community college at Cambridge; clarifying the duties and powers of the higher education coordinating board; authorizing tuition reciprocity agreements with contiguous Canadian provinces; establishing a state matching grant program to match private gifts to endowment funds; requiring administrative service plans for technical colleges under certain circumstances; changing permitted kinds of investments for the permanent university fund; permitting capital gains of the fund to be used to support endowed academic chairs; authorizing the purchase of a certain building by the state university board; requiring development of a consumer information system for occupational programs; regulating public post-secondary plans; requiring reports; adjusting contributions to state system retirement plans; amending Minnesota Statutes 1988, sections 136.60; 136.602; 136C.05, by adding a subdivision; 137.022, subdivisions 1 and 3; 352.92, subdivision 2; 352B.02, subdivision 1c; 353.27, subdivision 3a; and 354.42, subdivision 5; Minnesota Statutes 1989 Supplement, sections 16B.335, subdivision 2; 136A.04; 136A.08; 352.04, subdivisions 2 and 3; and 354B.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 136A; repealing Minnesota Statutes 1988, section 353.27, subdivision 3.

SUSPENSION OF RULES

Mr. Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect

to S.F. No. 2618 and that the rules of the Senate be so far suspended as to give S.F. No. 2618 its second and third reading and place it on its final passage. The motion prevailed.

S.F. No. 2618 was read the second time.

Mr. Knaak moved to amend S.F. No. 2618 as follows:

Page 15, delete section 24

Renumber the sections of article 1 in sequence and correct the internal references

Amend the title accordingly

CALL OF THE SENATE

Mr. Merriam imposed a call of the Senate for the balance of the proceedings on S.F. No. 2618. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Knaak amendment.

The roll was called, and there were yeas 14 and nays 45, as follows:

Those who voted in the affirmative were:

Decker	Laidig	McQuaid	Pariseau	Reichgott
Gustafson	Larson	Novak	Piepho	Renneke
Knaak	McGowan	Olson	Ramstad	

Those who voted in the negative were:

Adkins	Brataas	Frederickson, D.J.	Luther	Piper
Anderson	Cohen	Frederickson, D.R.	Marty	Pogemiller
Beckman	Dahl	Freeman	Mehrkens	Samuelson
Belanger	Davis	Hughes	Merriam	Schmitz
Benson	Dickfich	Johnson, D.E.	Metzen	Solon
Berglin	Diessner	Kroening	Moe, R. D.	Storm
Bernhagen	Flynn	Langseth	Morse	Stumpf
Bertram	Frank	Lantry	Pehler	Vickerman
Brandl	Frederick	Lessard	Peterson, R. W.	Waldorf

The motion did not prevail. So the amendment was not adopted.

Ms. Olson moved to amend S.F. No. 2618 as follows:

Page 15, delete lines 14 to 18 and insert “that contracts for administrative services with a school board must submit its administrative services plan, including a description of the services contracted for and their costs, to the state director for review.”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 42, as follows:

Those who voted in the affirmative were:

Benson	Laidig	McQuaid	Pariseau	Renneke
Decker	Larson	Mehrkens	Piepho	Samuelson
Diessner	Lessard	Novak	Ramstad	
Knaak	McGowan	Olson	Reichgott	

Those who voted in the negative were:

Adkins	Chmielewski	Frederickson, D.R.	Luther	Pogemiller
Anderson	Cohen	Freeman	Marty	Solon
Beckman	Dahl	Gustafson	Merriam	Storm
Belanger	Davis	Hughes	Metzen	Stumpf
Berglin	Dicklich	Johnson, D.E.	Moe, R. D.	Vickerman
Bernhagen	Flynn	Johnson, D.J.	Morse	Waldorf
Bertram	Frank	Kroening	Pehler	
Brandl	Frederick	Langseth	Peterson, R. W.	
Brataas	Frederickson, D.J.	Lantry	Piper	

The motion did not prevail. So the amendment was not adopted.

S.F. No. 2618 was read the third time and placed on its final passage.

Mr. Pehler requested unanimous consent of the Senate to offer an amendment. There was objection.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 46 and nays 17, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Moe, R. D.	Solon
Anderson	Davis	Johnson, D.J.	Morse	Spear
Beckman	Dicklich	Laidig	Novak	Storm
Berg	Diessner	Langseth	Pehler	Stumpf
Berglin	Flynn	Lantry	Peterson, R. W.	Vickerman
Bertram	Frank	Lessard	Piper	Waldorf
Brandl	Frederick	Luther	Pogemiller	
Brataas	Frederickson, D.J.	Marty	Reichgott	
Chmielewski	Freeman	Merriam	Samuelson	
Cohen	Hughes	Metzen	Schmitz	

Those who voted in the negative were:

Belanger	Frederickson, D.R.	Larson	Olson	Renneke
Benson	Gustafson	McGowan	Pariseau	
Bernhagen	Knaak	McQuaid	Piepho	
Decker	Kroening	Mehrkens	Ramstad	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2042 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2042: A bill for an act relating to consumer protection; limiting the locations in which sales of tobacco by vending machine may be made; proposing coding for new law in Minnesota Statutes, chapter 325E.

Mr. Metzen moved to amend H.F. No. 2042, as amended pursuant to Rule 49, adopted by the Senate March 26, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 1923.)

Page 2, delete section 2

The motion prevailed. So the amendment was adopted.

H.F. No. 2042 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Pogemiller
Anderson	Davis	Johnson, D.J.	Mehrkens	Ramstad
Beckman	Decker	Knaak	Merriam	Reichgott
Belanger	Dicklich	Kroening	Metzen	Renneke
Benson	Diessner	Laidig	Moe, R.D.	Samuelson
Berg	Flynn	Langseth	Morse	Schmitz
Berglin	Frank	Lantry	Novak	Solon
Bernhagen	Frederick	Larson	Olson	Spear
Bertram	Frederickson, D.J.	Lessard	Pariseau	Storm
Brataas	Frederickson, D.R.	Luther	Peterson, R.W.	Stumpf
Chmielewski	Freeman	Marty	Piepho	Vickerman
Cohen	Gustafson	McGowan	Piper	Waldorf

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1977 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1977: A bill for an act relating to veterans; providing for an executive director appointed by the veterans homes board; amending Minnesota Statutes 1988, section 198.004.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Reichgott
Anderson	Decker	Knaak	Metzen	Renneke
Beckman	Dicklich	Kroening	Moe, R.D.	Samuelson
Belanger	Diessner	Laidig	Morse	Schmitz
Benson	Flynn	Lantry	Novak	Solon
Berg	Frank	Larson	Olson	Spear
Berglin	Frederick	Lessard	Pariseau	Storm
Bernhagen	Frederickson, D.J.	Luther	Peterson, R.W.	Stumpf
Bertram	Frederickson, D.R.	Marty	Piepho	Vickerman
Chmielewski	Freeman	McGowan	Piper	Waldorf
Cohen	Gustafson	McQuaid	Pogemiller	
Dahl	Hughes	Mehrkens	Ramstad	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2474 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2474: A bill for an act relating to insurance; long-term care; modifying the definition of medically prescribed long-term care; allowing additional licensed health care providers to prepare plans of care; regulating assessments; regulating cancellations; amending Minnesota Statutes 1988, sections 62A.46, subdivisions 2, 4, 5, and 8; 62A.48, subdivision 3, and by adding a subdivision; and 62A.56; Minnesota Statutes 1989 Supplement, section 62A.48, subdivision 1.

Mr. Solon moved to amend H.F. No. 2474, as amended pursuant to Rule 49, adopted by the Senate March 26, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2566.)

Page 4, line 27, after "No" insert "*individual*"

Page 5, line 8, after "No" insert "*individual*"

The motion prevailed. So the amendment was adopted.

H.F. No. 2474 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McQuaid	Pogemiller
Anderson	Davis	Johnson, D.E.	Mehrkens	Ramstad
Beckman	Decker	Knaak	Merriam	Reichgott
Belanger	Dicklich	Kroening	Metzen	Renneke
Benson	Diessner	Laidig	Moe, R.D.	Samuelson
Berg	Flynn	Langseth	Morse	Schmitz
Berglin	Frank	Lantry	Novak	Solon
Bernhagen	Frederick	Larson	Olson	Spear
Bertram	Frederickson, D.J.	Lessard	Pariseau	Storm
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Stumpf
Chmielewski	Freeman	Marty	Piepho	Vickerman
Cohen	Gustafson	McGowan	Piper	Waldorf

So the bill, as amended, was passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

CONFIRMATION

Mr. Merriam moved that the report from the Committee on Finance, reported March 7, 1990, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Merriam moved that the foregoing report be now adopted. The motion prevailed.

Mr. Merriam moved that in accordance with the report from the Committee on Finance, reported March 7, 1990, the Senate, having given its advice, do now consent to and confirm the appointment of:

DEPARTMENT OF FINANCE COMMISSIONER

Peter Hutchinson, 1621 Mt. Curve, Minneapolis, Hennepin County, effective January 1, 1990, for a term expiring the first Monday in January, 1991.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Schmitz moved that the report from the Committee on Local and Urban Government, reported February 22, 1990, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Schmitz moved that the foregoing report be now adopted. The motion

prevailed.

Mr. Schmitz moved that in accordance with the report from the Committee on Local and Urban Government, reported February 22, 1990, the Senate, having given its advice, do now consent to and confirm the appointments of:

METROPOLITAN COUNCIL

Liz (Mary E.) Anderson, 914 Parkview, St. Paul, Ramsey County, effective February 25, 1989, for a term expiring the first Monday in January, 1993.

Dirk DeVries, 18600 Woolman Dr., Minnetonka, Hennepin County, effective February 25, 1989, for a term expiring the first Monday in January, 1993.

David Fisher, 5047 Gladstone Ave. S., Minneapolis, Hennepin County, effective February 25, 1989, for a term expiring the first Monday in January, 1993.

Mary Hauser, 616 Hall Ave., Birchwood, Washington County, effective February 25, 1989, for a term expiring the first Monday in January, 1993.

Ken Kunzman, 15449 S. Ham Lake Dr., Ham Lake, Anoka County, effective February 25, 1989, for a term expiring the first Monday in January, 1993.

Dottie Rietow, 1317 Kilmer Ave. S., St. Louis Park, Hennepin County, effective February 25, 1989, for a term expiring the first Monday in January, 1993.

Margaret Schreiner, 1795 Monterey Ln., Eagan, Dakota County, effective February 25, 1989, for a term expiring the first Monday in January, 1993.

James Senden, 507 - 17th Ave. N.W., New Brighton, Ramsey County, effective February 25, 1989, for a term expiring the first Monday in January, 1993.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Bertram moved that the report from the Committee on Veterans and Military Affairs, reported March 12, 1990, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Bertram moved that the foregoing report be now adopted. The motion prevailed.

Mr. Bertram moved that in accordance with the report from the Committee on Veterans and Military Affairs, reported March 12, 1990, the Senate, having given its advice, do now consent to and confirm the appointments of:

MINNESOTA VETERANS HOMES BOARD OF DIRECTORS

Harvey Charles Aaron, 325 Otis Ave., St. Paul, Ramsey County, effective January 24, 1990, for a term expiring the first Monday in January, 1994.

Robert Hansen, 1136 Ivy Hill Dr., Mendota Heights, Dakota County, effective January 24, 1990, for a term expiring the first Monday in January, 1994.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mrs. Lantry moved that the report from the Committee on General Legislation and Public Gaming, reported February 22, 1990, pertaining to appointments, be taken from the table. The motion prevailed.

Mrs. Lantry moved that the foregoing report be now adopted. The motion prevailed.

Mrs. Lantry moved that in accordance with the report from the Committee on General Legislation and Public Gaming, reported February 22, 1990, the Senate, having given its advice, do now consent to and confirm the appointments of:

DEPARTMENT OF GAMING COMMISSIONER

Tony Bouza, 3810 Sheridan Ave. S., Minneapolis, Hennepin County, effective September 1, 1989, for a term expiring the first Monday in January, 1991.

DEPARTMENT OF GAMING GAMBLING CONTROL DIVISION DIRECTOR

Thomas Anzenc, 173 Dennison, Shoreview, Ramsey County, effective October 15, 1989, for a term expiring the first Monday in January, 1991.

GAMBLING CONTROL BOARD

Robert Fragnito, P.O. Box 32, Nashwauk, Itasca County, effective July 16, 1989, for a term expiring June 30, 1993.

Barbara Grove, HCR 2, Box 124, Emily, Crow Wing County, effective July 16, 1989, for a term expiring June 30, 1991.

Raymond Joachim, Sr., 109 - 6th St. W., Jordan, Scott County, effective July 16, 1989, for a term expiring June 30, 1991.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mrs. Lantry moved that the report from the Committee on General Legislation and Public Gaming, reported March 1, 1990, pertaining to appointments, be taken from the table. The motion prevailed.

Mrs. Lantry moved that the foregoing report be now adopted. The motion prevailed.

Mrs. Lantry moved that in accordance with the report from the Committee on General Legislation and Public Gaming, reported March 1, 1990, the Senate, having given its advice, do now consent to and confirm the appointments of:

MINNESOTA RACING COMMISSION

Carol Connolly, 504 Selby Ave., St. Paul, Ramsey County, effective June 27, 1989, for a term expiring June 30, 1995.

Marilyn A. Rose, 2500 Fernwood, Roseville, Ramsey County, effective

June 27, 1989, for a term expiring June 30, 1995.

Ralph Strangis, 1117 Marquette Ave., Minneapolis, Hennepin County, effective June 27, 1989, for a term expiring June 30, 1995.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mrs. Lantry moved that the report from the Committee on General Legislation and Public Gaming, reported March 1, 1990, pertaining to appointments, be taken from the table. The motion prevailed.

Mrs. Lantry moved that the foregoing report be now adopted. The motion prevailed.

Mrs. Lantry moved that in accordance with the report from the Committee on General Legislation and Public Gaming, reported March 1, 1990, the Senate, having given its advice, do now consent to and confirm the appointments of:

DEPARTMENT OF GAMING
STATE LOTTERY DIVISION
DIRECTOR

George Andersen, 200 Centennial Bldg., 658 Cedar St., St. Paul, Ramsey County, effective October 9, 1989, for a term expiring the first Monday in January, 1991.

MINNESOTA RACING COMMISSION

Robert Zevnick, 1254 Dodd Rd., Mendota Heights, Dakota County, effective June 27, 1989, for a term expiring June 30, 1993.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Frank moved that the reports from the Committee on Economic Development and Housing, reported March 26, 1990, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Frank moved that the foregoing reports be now adopted. The motion prevailed.

Mr. Frank moved that in accordance with the reports from the Committee on Economic Development and Housing, reported March 26, 1990, the Senate, having given its advice, do now consent to and confirm the appointments of:

GREATER MINNESOTA CORPORATION BOARD OF DIRECTORS

Howard Fortier, 4450 Stinson Blvd. N.E., Minneapolis, Hennepin County, effective November 7, 1987, for a term expiring the first Monday in January, 1994.

Dr. Donald S. Fredrickson, 6615 Bradley Blvd., Bethesda, Maryland, effective November 7, 1987, for a term expiring the first Monday in January, 1992.

D. Bruce Merrifield, 1316 New Hampshire Ave. N.W., Washington, D.C., effective August 24, 1987, for a term expiring the first Monday in January, 1994.

William C. Norris, P.O. Box 59074, Minneapolis, MN, effective January 24, 1990, for a term expiring in January, 1996.

Dale R. Olseth, 132 Homedale Rd., Hopkins, Hennepin County, effective November 7, 1987, for a term expiring the first Monday in January, 1994.

Laurence L. Osterwise, Hwy. 52 and 37th St. N.W., Rochester, Olmsted County, effective November 7, 1987, for a term expiring the first Monday in January, 1992.

Francis J. Ryan, P.O. Box 96, Hibbing, MN, effective January 24, 1990, for a term expiring in January, 1996.

Glen Taylor, 1725 Roe Crest Dr., N. Mankato, MN, effective January 24, 1990, for a term expiring in January, 1996.

Elroy Webster, Rt. 2, Nicollet, Nicollet County, effective November 7, 1987, for a term expiring the first Monday in January, 1994.

May Yue, 6604 Cornelia Dr., Edina, Hennepin County, effective November 7, 1987, for a term expiring the first Monday in January, 1992.

MINNESOTA HOUSING FINANCE AGENCY

Bruce Bakken, 4895 Ashley Ln., Inver Grove Heights, Dakota County, effective January 16, 1990, for a term expiring the first Monday in January, 1994.

Maureen Bye, 609 W. 2nd St., Duluth, St. Louis County, effective January 24, 1989, for a term expiring the first Monday in January, 1993.

Shirley Van Dyck, Rt. 3, Box 135, Cass Lake, Cass County, effective January 26, 1988, for a term expiring the first Monday in January, 1992.

MINNESOTA PUBLIC FACILITIES AUTHORITY

Don Cole, 46 Fern Ct., Babbitt, St. Louis County, effective January 16, 1990, for a term expiring the first Monday in January, 1993.

Marilyn Krueger, 4126 Jay St., Duluth, St. Louis County, effective January 16, 1990, for a term expiring the first Monday in January, 1994.

MINNESOTA WORLD TRADE CENTER CORPORATION BOARD OF DIRECTORS

Arnold Aberman, 8900 Minnehaha Cir., Minneapolis, Hennepin County, effective July 1, 1987, for a term expiring the first Monday in January, 1994.

Ronald Bosrock, 1814 Hillcrest Ave., St. Paul, Ramsey County, effective January 24, 1990, for a term expiring the first Monday in January, 1994.

Paul Rexford Thatcher, 15 S. 1st St., Minneapolis, Hennepin County, effective July 1, 1987, for a term expiring the first Monday in January, 1992.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Spear moved that the reports from the Committee on Judiciary, reported March 23, 1990, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Spear moved that the foregoing reports be now adopted. The motion prevailed.

Mr. Spear moved that in accordance with the reports from the Committee on Judiciary, reported March 23, 1990, the Senate, having given its advice, do now consent to and confirm the appointments of:

BOARD ON JUDICIAL STANDARDS

Leone Altman, 505 S. Inner Dr., Hibbing, St. Louis County, effective January 24, 1990, for a term expiring the first Monday in January, 1994.

Charlotte Anderson, 3913 Oakland Ave. S., Minneapolis, Hennepin County, effective February 1, 1989, for a term expiring the first Monday in January, 1993.

Robert W. Johnson, 2006 - 1st Ave. N., Anoka, Anoka County, effective February 25, 1990, for a term expiring the first Monday in January, 1994.

HARMFUL SUBSTANCE COMPENSATION BOARD

Debra McBride, 876 Westwind Dr., Little Canada, Ramsey County, effective February 1, 1989, for a term expiring the first Monday in January, 1995.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Spear moved that the appointments of notaries public, received February 12, 1990, be taken from the table. The motion prevailed.

Mr. Spear moved that the Senate do now consent to and confirm the appointments of the notaries public. The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Solon moved that the report from the Committee on Commerce, reported March 1, 1990, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Solon moved that the foregoing report be now adopted. The motion prevailed.

Mr. Solon moved that in accordance with the report from the Committee on Commerce, reported March 1, 1990, the Senate, having given its advice, do now consent to and confirm the appointment of:

DEPARTMENT OF COMMERCE COMMISSIONER

Thomas Borman, 2444 Byrnes Rd., Minnetonka, Hennepin County, effective January 9, 1990, for a term expiring the first Monday in January, 1991.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Lessard moved that the report from the Committee on Environment and Natural Resources, reported February 22, 1990, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Lessard moved that the foregoing report be now adopted. The motion prevailed.

Mr. Lessard moved that in accordance with the report from the Committee on Environment and Natural Resources, reported February 22, 1990, the Senate, having given its advice, do now consent to and confirm the appointments of:

MINNESOTA ENVIRONMENTAL QUALITY BOARD

Paul Toren, 805 Park Ave., Mahtomedi, Washington County, effective June 27, 1989, for a term expiring the first Monday in January, 1993.

OFFICE OF WASTE MANAGEMENT DIRECTOR

Michael Robertson, 1515 Hilo Ave. N., Oakdale, Washington County, effective July 1, 1989, for a term expiring the first Monday in January, 1991.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mrs. Lantry moved that the reports from the Committee on General Legislation and Public Gaming, reported March 5, 1990, pertaining to appointments, be taken from the table. The motion prevailed.

Mrs. Lantry moved that the foregoing reports be now adopted. The motion prevailed.

Mrs. Lantry moved that in accordance with the reports from the Committee on General Legislation and Public Gaming, reported March 5, 1990, the Senate, having given its advice, do now consent to and confirm the appointments of:

BOARD OF THE ARTS

Richard Faricy, 2211 St. Clair Ave., St. Paul, Ramsey County, effective January 16, 1990, for a term expiring the first Monday in January, 1994.

Dee Knaak, 4243 Oakmeade Ln., White Bear Lake, Ramsey County, effective January 16, 1990, for a term expiring the first Monday in January, 1994.

Benjamin Vander Kooi, Jr., 127 E. Main, Box 116, Luverne, Rock County, effective July 17, 1989, for a term expiring the first Monday in January, 1991.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Ms. Berglin moved that the report from the Committee on Health and Human Services, reported March 15, 1990, pertaining to appointments, be taken from the table. The motion prevailed.

Ms. Berglin moved that the foregoing report be now adopted. The motion prevailed.

Ms. Berglin moved that in accordance with the report from the Committee on Health and Human Services, reported March 15, 1990, the Senate, having given its advice, do now consent to and confirm the appointment

of:

**DEPARTMENT OF HUMAN SERVICES
COMMISSIONER**

Ann Wynia, 1550 Branston St., St. Paul, Ramsey County, effective September 1, 1989, for a term expiring the first Monday in January, 1991.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Pogemiller moved that H.F. No. 1846 be taken from the table. The motion prevailed.

H.F. No. 1846: A bill for an act relating to prostitution; increasing penalties for certain patrons of prostitutes; providing that when a patron uses a motor vehicle during commission of an offense, that fact will be noted on the person's driving record; amending Minnesota Statutes 1988, sections 609.324, subdivisions 2, 3, and by adding subdivisions; and 609.3241.

Mr. Pogemiller moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1846, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

CONFIRMATION

Mr. Hughes moved that the reports from the Committee on Elections and Ethics, reported March 21, 1990, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Hughes moved that the foregoing reports be now adopted. The motion prevailed.

Mr. Hughes moved that in accordance with the reports from the Committee on Elections and Ethics, reported March 21, 1990, the Senate, having given its advice, do now consent to and confirm the appointments of:

STATE ETHICAL PRACTICES BOARD

Vanne Hayes, 869 Carroll Ave., St. Paul, Ramsey County, effective January 24, 1990, for a term expiring the first Monday in January, 1994.

Bruce Willis, 2940 Walnut Grove Ln., Plymouth, Hennepin County, effective March 14, 1990, for a term expiring the first Monday in January, 1992.

The motion prevailed. So the appointments were confirmed.

Mr. Dicklich moved that S.F. No. 2429, No. 49 on General Orders, be stricken and returned to its author. The motion prevailed.

Mr. Dicklich moved that S.F. No. 2488, No. 14 on General Orders, be stricken and returned to its author. The motion prevailed.

Mr. Dicklich moved that S.F. No. 1626, No. 27 on General Orders, be stricken and returned to its author. The motion prevailed.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

APPOINTMENTS

Mr. Moe, R.D. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H.F. No. 1857: Mr. Vickerman, Mrs. Adkins and Mr. Frederick.

H.F. No. 257: The name of Mr. Taylor be stricken and the name of Mr. Frederickson, D.R. be substituted.

H.F. No. 1846: Messrs. Pogemiller, McGowan, Ms. Flynn, Mr. Belanger and Ms. Reichgott.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

MEMBERS EXCUSED

Messrs. DeCramer, Purfeerst and Moe, D.M. were excused from the Session of today. Mr. Pogemiller was excused from the Session of today from 1:30 to 1:45 p.m.

The following member was excused from today's Session for brief periods of time: Mr. Johnson, D.J.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Thursday, March 29, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

EIGHTIETH DAY

St. Paul, Minnesota, Thursday, March 29, 1990

The Senate met at 12:00 noon and was called to order by the President.

CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Don Deines.

The roll was called, and the following Senators answered to their names:

Adkins	Davis	Knaak	Metzen	Reichgott
Anderson	Decker	Knutson	Moe, D.M.	Renneke
Beckman	Dicklich	Kroening	Moe, R.D.	Samuelson
Belanger	Diessner	Laidig	Morse	Schmitz
Benson	Flynn	Langseth	Novak	Solon
Berg	Frank	Lantry	Olson	Spear
Bergtin	Frederick	Larson	Pariseau	Storm
Bernhagen	Frederickson, D.J.	Lessard	Pehler	Stumpf
Bertram	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brandl	Freeman	Marty	Piepho	Waldorf
Brataas	Gustafson	McGowan	Piper	
Chmielewski	Hughes	McQuaid	Pogemiller	
Cohen	Johnson, D.E.	Mehrkens	Purfeerst	
Dahl	Johnson, D.J.	Merriam	Ramstad	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2343:

H.F. No. 2343: A bill for an act relating to insurance; accident and health; providing for the classification and disclosure of certain comprehensive health insurance data; regulating the Minnesota comprehensive health insurance plan; requiring insurers to provide written materials on the Minnesota comprehensive health insurance plan; amending Minnesota Statutes 1988, sections 13.71, by adding a subdivision; 62E.10, subdivision 9; 62E.14, by adding subdivisions; and 62E.15, subdivision 4.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Skoglund, Haukoos and Winter have been appointed as such committee on the part of the House.

House File No. 2343 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 28, 1990

Mr. Brandl moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2343, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1927:

H.F. No. 1927: A bill for an act relating to traffic regulations; regulating approaches of vehicles to certain intersections; amending Minnesota Statutes 1988, section 169.20, subdivision 1.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Ogren, Brown and Uphus have been appointed as such committee on the part of the House.

House File No. 1927 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 28, 1990

Mr. Chmielewski moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1927, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1928:

H.F. No. 1928: A bill for an act relating to occupations and professions; providing for training for armed employees of private detectives and protective agents; prohibiting certain acts by protective agents and security guards during a labor dispute; amending Minnesota Statutes 1988, sections 326.32, by adding a subdivision; and 326.3384, by adding a subdivision; and amending Minnesota Statutes 1989 Supplement, section 326.3384, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 326.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Begich, Beard and Bishop have been appointed as such committee on the part of the House.

House File No. 1928 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 28, 1990

Mr. Dicklich moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1928, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1981:

H.F. No. 1981: A bill for an act relating to motor vehicles; providing for temporary permit while awaiting delivery of special vehicle license plates; requiring registered owner of motor vehicle to list address or mailing address of primary residence on application for registration; permitting motor vehicle owners to classify residence addresses as private data and to use mailing addresses on motor vehicle registration forms; clarifying when inspection fee must be paid to receive certificate of inspection for salvage vehicle; clarifying disclosure requirements for motor vehicle pollution control system; amending Minnesota Statutes 1988, sections 168.09, by adding a subdivision; 168.10, subdivision 1; and 325E.0951, subdivision 3a; Minnesota Statutes 1989 Supplement, section 168A.152, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 168.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Johnson, A.; Brown and Seaberg have been appointed as such committee on the part of the House.

House File No. 1981 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 28, 1990

Mr. Stumpf moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1981, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2056:

H.F. No. 2056: A bill for an act relating to public safety; making it a crime for a driver to flee a peace officer from another state into Minnesota; authorizing a peace officer of another state to enter Minnesota in fresh pursuit for traffic and misdemeanor offenses; authorizing the admissibility of relevant evidence obtained in another state into evidence at Minnesota civil and criminal trials; granting peace officers of other states the authority to transport persons in legal custody under certain circumstances; amending Minnesota Statutes 1988, section 609.487, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 626 and 634.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Dauner, Dempsey and Vellenga have been appointed as such committee on the part of the House.

House File No. 2056 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 28, 1990

Mr. Langseth moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2056, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1952:

H.F. No. 1952: A bill for an act relating to crimes; permitting individuals to request that the commissioner of public safety hold certain information on the individual as private; increasing penalties for certain acts of harassment; expanding the crime of terroristic threats to include threats made through an intermediary; authorizing courts to issue orders to restrain acts of harassment; amending Minnesota Statutes 1988, sections 171.12, by adding a subdivision; and 609.713, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 168 and 609.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Kelly, Seaberg and Pappas have been appointed as such committee on the part of the House.

House File No. 1952 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 28, 1990

Mr. Marty moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1952, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1913:

H.F. No. 1913: A bill for an act relating to commerce; regulating dividends on claims in liquidation proceedings; regulating the lending practices of regulated lenders; specifying the loan fees and charges that may be imposed by regulated lenders; amending Minnesota Statutes 1988, sections 49.24, subdivision 9; 56.131, subdivisions 1, and 2; 56.14; and 325G.22, by adding a subdivision.

The House respectfully requests that a Conference Committee of 5 members be appointed thereon.

Scheid, Osthoff, Dawkins, Neuenschwander and Boo have been appointed as such committee on the part of the House.

House File No. 1913 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 28, 1990

Mr. Solon moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1913, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1960:

H.F. No. 1960: A bill for an act relating to natural resources; amending certain provisions concerned with the management of wildlife; amending Minnesota Statutes 1988, sections 97A.135, by adding a subdivision; and 97A.445, by adding a subdivision; and Minnesota Statutes 1989 Supplement, section 97B.603.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Battaglia, Osthoff and Kahn have been appointed as such committee on the part of the House.

House File No. 1960 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 28, 1990

Mr. Berg moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1960, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2500:

H.F. No. 2500: A bill for an act relating to insurance; modifying the effective date of the statutory notice requirement for cancellation or non-renewal of individual life policies; amending Laws 1989, chapter 330, section 38.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Carruthers, Skoglund and Knickerbocker have been appointed as such a committee on the part of the House.

House File No. 2500 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 28, 1990

Mr. Solon moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2500, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2135:

H.F. No. 2135: A bill for an act relating to Anoka county; authorizing the sale or exchange of certain land.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Quinn, Weaver and Jacobs have been appointed as such committee on the part of the House.

House File No. 2135 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 28, 1990

Mr. Novak moved that the Senate accede to the request of the House for

a Conference Committee on H.F. No. 2135, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 796, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 796 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 28, 1990

CONFERENCE COMMITTEE REPORT ON H.F. NO. 796

A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public waters in Pine and Fillmore counties.

March 21, 1990

The Honorable Robert Vanasek
Speaker of the House of Representatives

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H.F. No. 796, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 796 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [SALE OF TAX-FORFEITED LAND; PINE COUNTY.]

(a) Notwithstanding Minnesota Statutes, section 282.018, Pine county may sell the tax-forfeited lands bordering public waters that are described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyances must be in a form approved by the attorney general.

(c) The lands that may be conveyed are located in Pine county and are described as follows:

(1) In Windemere township, Lots 56, 57, and 58 on Sturgeon Island, Section 16, Township 45 North, Range 19 West;

(2) In the city of Willow River:

(i) Rearrangement of Auditor's Subdivision, Part of Lot 4, less the following: Commencing at the southeasterly corner of Lot 2, Block 2, Townsite of Willow River, running thence easterly on prolongation of southerly line of said Lot 2 150 feet to East bank of the creek running through said Auditor Lot 4, thence southerly along East bank of creek to South line of

Section 2, Township 44 North, Range 20 West, thence westerly along said South line to point of intersection with easterly line of Willow Street in Townsite of Willow River thence northerly along East line of Willow Street 304.5 feet, more or less, to Southwest corner of Auditor Lot 6 thence easterly 150 feet to prolongation of easterly line of said Auditor Lot 6 thence northerly 119 feet to point of beginning. Rearrangement of Auditor's Subdivision of Section 2, Township 44 North, Range 20 West; and

(ii) Part of Lot 15, viz: Beginning at the Northeast corner of Lot 4, Block 2, Townsite of Willow River, thence along North line of Lot 15, Rearrangement of Auditor's Subdivision of Section 2, Township 44 North, Range 20 West, to Creek, South along Creek approximately 75 feet, thence westerly to Southeast corner of Lot 4, Block 2, Townsite of Willow River and East 75 feet to point of beginning, Rearrangement of Auditor's Subdivision of Section 2, Township 44 North, Range 20 West.

(3) In Windemere township, Part of Government Lot 8 viz: Beginning at a point on the South line 1336.15 feet West of the Southeast corner thereof, thence to the right an angle of 77 degrees, 27 minutes, for a distance of 406.12 feet, more or less, to shore of Sand Lake, thence southwesterly on shore 620 feet, more or less, to South line of Lot 8, thence East 568.44 feet, more or less, to point of beginning, less 1.22 acres to Vogel and 0.37 acre to Lund and less 0.24 acre to Lund; all in Section 6, Township 45 North, Range 19 West.

(4) In Windemere township, Part of East 50 feet of West 100 feet of Government Lot 8 lying North of a line described as follows: Beginning at a point on West boundary line of Lot 8, which is 1742 feet North of the Southwest corner of Section 4, Township 45 North, Range 19 West, measured along West boundary line thence northeasterly forming an angle of 53 degrees 21 minutes with West boundary line 124.6 feet, more or less, to point 100 feet East of West boundary line measured at right angles thereto on East line of land.

(d) The county has determined that the county's land management interests would best be served if the lands were privately owned.

Sec. 2. Minnesota Statutes 1989 Supplement, section 176.135, subdivision 1, is amended to read:

Subdivision 1. [MEDICAL, PSYCHOLOGICAL, CHIROPRACTIC, PODIATRIC, SURGICAL, HOSPITAL.] (a) The employer shall furnish any medical, psychological, chiropractic, podiatric, surgical and hospital treatment, including nursing, medicines, medical, chiropractic, podiatric, and surgical supplies, crutches and apparatus, including artificial members, or, at the option of the employee, if the employer has not filed notice as hereinafter provided, Christian Science treatment in lieu of medical treatment, chiropractic medicine and medical supplies, as may reasonably be required at the time of the injury and any time thereafter to cure and relieve from the effects of the injury. This treatment shall include treatments necessary to physical rehabilitation. *Exposure to rabies is an injury and an employer shall furnish preventive treatment to employees exposed to rabies.* The employer shall furnish replacement or repair for artificial members, glasses, or spectacles, artificial eyes, podiatric orthotics, dental bridge work, dentures or artificial teeth, hearing aids, canes, crutches, or wheel chairs damaged by reason of an injury arising out of and in the course of the employment. In case of the employer's inability or refusal seasonably to do so the employer is liable for the reasonable expense incurred by or on

behalf of the employee in providing the same, including costs of copies of any medical records or medical reports that are in existence, obtained from health care providers, and that directly relate to the items for which payment is sought under this chapter, limited to the charges allowed by subdivision 7, and attorney fees incurred by the employee. No action to recover the cost of copies may be brought until the commissioner adopts a schedule of reasonable charges under subdivision 7. Attorney's fees shall be determined on an hourly basis according to the criteria in section 176.081, subdivision 5. The employer shall pay for the reasonable value of nursing services by a member of the employee's family in cases of permanent total disability.

(b) Both the commissioner and the compensation judges have authority to make determinations under this section in accordance with sections 176.106 and 176.305.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to government affairs; providing coverage for preventive rabies treatment; authorizing sale of certain tax-forfeited lands that border public waters in Pine county; amending Minnesota Statutes 1989 Supplement, section 176.135, subdivision 1."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Doug Carlson, Paul Anders Ogren, Tom Rukavina

Senate Conferees: (Signed) Florian Chmielewski, Robert J. Schmitz, Jim Gustafson

Mr. Chmielewski moved that the foregoing recommendations and Conference Committee Report on H.F. No. 796 be now adopted, and that the bill be repassed as amended by the Conference Committee.

CALL OF THE SENATE

Mr. Merriam imposed a call of the Senate for the balance of the proceedings on H.F. No. 796. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Merriam moved that the recommendations and Conference Committee Report on H.F. No. 796 be rejected, the Conference Committee discharged, and that a new Conference Committee be appointed by the Subcommittee on Committees to act with a like Conference Committee appointed on the part of the House.

The question was taken on the adoption of the motion of Mr. Merriam.

The roll was called, and there were yeas 46 and nays 15, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Johnson, D.E.	Merriam	Purfeerst
Anderson	Davis	Johnson, D.J.	Moe, D.M.	Ramstad
Beckman	Decker	Knaak	Moe, R.D.	Reichgott
Belanger	Diessner	Knutson	Morse	Storm
Benson	Flynn	Laidig	Novak	Vickerman
Berg	Frank	Langseth	Olson	Waldorf
Berglin	Frederick	Larson	Pariseau	
Bernhagen	Frederickson, D.J.	Marty	Pehler	
Brandl	Frederickson, D.R.	McGowan	Peterson, R. W.	
Brataas	Freeman	McQuaid	Piper	

Those who voted in the negative were:

Bertram	Hughes	Luther	Renneke	Solon
Chmielewski	Lantry	Metzen	Samuelson	Spear
Dicklich	Lessard	Piepho	Schmitz	Stumpf

The motion prevailed.

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 2200.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 28, 1990

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 2200: A bill for an act relating to education; starting, developing, adding to, clarifying, and financing elementary and secondary and related education programs and services, including those relating to general education, transportation, special programs, drug prevention and other community programs, facilities, programs of cooperation, other aids and levies, rural health care, and the department of education; providing for technical rate changes; authorizing bonds and tax levies; appropriating money; amending Minnesota Statutes 1988, sections 120.062, subdivision 9, and by adding a subdivision; 121.148; 121.15, subdivisions 1 and 7; 121.88, subdivision 6; 121.882, subdivision 9, and by adding a subdivision; 121.908, subdivision 3; 121.917, subdivision 4; 122.91, by adding a subdivision; 122.93, by adding a subdivision; 122.94, subdivision 5; 123.33, subdivision 1; 123.35, by adding subdivisions; 123.3514, subdivisions 6 and 6b; 123.36, subdivision 10; 123.37, subdivision 1; 123.38, subdivisions 1 and 2b; 123.39, subdivision 6; 123.58, subdivisions 2 and 6; 123.9361; 123.947; 124.14, subdivision 7; 124.195, subdivision 10, and by adding subdivisions; 124.26, by adding a subdivision; 124.2711, subdivision 2; 124.494, by adding a subdivision; 124A.02, subdivision 1; 124A.036, subdivision 5, and by adding a subdivision; 125.12, by adding a subdivision; 125.17, by adding a subdivision; 125.185, by adding a subdivision; 125.231, subdivision 6; 125.60, subdivision 2; 126.12, subdivision 2; 126.666, subdivisions 2 and 4; 126.70, subdivision 2a; 129B.53, subdivision 3; 141.25, subdivisions 7 and 9; 181A.04, by adding a subdivision; 181A.12, subdivision 1; 275.125, subdivision 4; and 471.59, subdivision 2; Minnesota Statutes 1989 Supplement, sections 121.111, subdivisions 1 and 2; 121.15, subdivision 2; 121.612, subdivisions 3 and 5; 121.88,

subdivision 9; 121.882, subdivision 2; 122.243, subdivision 2; 122.91, subdivisions 1 and 5; 122.92, subdivision 1; 122.94, subdivision 6; 122.945, subdivision 2; 123.58, subdivision 9; 124.10, subdivision 2; 124.155, subdivision 2; 124.19, subdivision 7; 124.225, subdivisions 1, 3a, and 8k; 124.26, subdivisions 7 and 8; 124.2711, subdivisions 1 and 3; 124.2713; 124.2715; 124.2721; 124.2725, subdivision 8, and by adding a subdivision; 124.38, subdivision 7; 124.573, subdivision 2d; 124.83, subdivision 6; 124.90, subdivision 2; 124A.22, subdivision 2a; 126.22, subdivisions 2 and 3; 128B.03, subdivision 4; 129.128; 141.35; 275.125, subdivisions 5c, 5e, 6h, 6i, 8b, 9a, 9b, 9c, 11d, and 18; Minnesota Statutes Second 1989 Supplement, sections 124.2442, subdivision 1; 124.83, subdivisions 1 and 4; 124A.26, subdivision 1; Laws 1959, chapter 462, section 3, subdivision 10, as renumbered, as amended; Laws 1984, chapter 463, article 6, section 15, subdivision 2; Laws 1988, chapter 718, article 6, section 23; and Laws 1989, chapter 329, article 5, section 21, subdivision 4; article 11, sections 15, subdivisions 2 and 12; 16, subdivision 2; article 12, sections 9, subdivision 2; and 11; proposing coding for new law in Minnesota Statutes, chapters 121; 122; 124; 125; 126; 129B; and 237; proposing coding for new law as Minnesota Statutes, chapter 124B; repealing Minnesota Statutes 1988, sections 121.15, subdivision 4; 124.43, subdivisions 2, 3, 4, 5, and 6; Minnesota Statutes 1989 Supplement, section 124.43, subdivision 1.

Mr. Moe, R.D. moved that H.F. No. 2200 be laid on the table. The motion prevailed.

REPORTS OF COMMITTEES

SUSPENSION OF RULES

Mr. Moe, R.D. moved that Joint Rule 2.03 be suspended as to S.F. No. 1787. The motion prevailed.

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the reports pertaining to appointments. The motion prevailed.

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1787: A bill for an act relating to education; modifying the maximum effort school aid law capital loan program; authorizing the issuance of state bonds; appropriating money; proposing coding for new law in chapter 124; repealing Minnesota Statutes 1988, section 124.43, subdivisions 2, 3, 4, 5, and 6; and Minnesota Statutes 1989 Supplement, section 124.43, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 121.148, subdivision 2, is amended to read:

Subd. 2. [NEGATIVE REVIEW AND COMMENT.] If the commissioner submits a negative review and comment for a proposal according to section 121.15, the school board, by resolution of the board, shall reconsider construction. If, upon reconsideration, the school board decides to proceed with construction, it may initiate proceedings for issuing bonds to finance

construction under sections 475.51 to 475.76. Unless ~~60 percent~~ *two-thirds* of the voters at the election approve of issuing the obligations, the board is not authorized to issue the obligations.

Sec. 2. Minnesota Statutes 1988, section 121.15, subdivision 1, is amended to read:

Subdivision 1. [CONSULTATION.] A school district shall consult with the commissioner of education before developing any plans and specifications to construct, remodel, or improve the building or site of an educational facility, other than a technical institute, for which the estimated cost exceeds \$100,000. This consultation shall occur before a referendum for bonds, solicitation for bids, or use of capital expenditure facilities revenue according to section 124.243, subdivision 6, clause (2). *The commissioner may require the district to participate in a management assistance plan before conducting a review and comment on the project.*

Sec. 3. Minnesota Statutes 1989 Supplement, section 121.15, subdivision 2, is amended to read:

Subd. 2. [PLAN SUBMITTAL.] For a project for which consultation is required under subdivision 1, the commissioner, after the consultation required in subdivision 1, may require a school district to submit the following for approval:

- (a) two sets of preliminary plans for each new building or addition, and
- (b) one set of final plans for each construction, remodeling, or site improvement project. The commissioner shall approve or disapprove the plans within ~~60~~ 90 days after submission.

Final plans shall meet all applicable state laws, rules, and codes concerning public buildings, including sections 16B.59 to 16B.73. The department may furnish to a school district plans and specifications for temporary school buildings containing two classrooms or less.

Sec. 4. Minnesota Statutes 1988, section 121.15, subdivision 7, is amended to read:

Subd. 7. [INFORMATION REQUIRED.] A school board proposing to construct a facility described in subdivision 6 shall submit to the commissioner a proposal containing information including at least the following:

- (a) the geographic area proposed to be served, whether within or outside the boundaries of the school district;
- (b) the people proposed to be served, including census findings and projections for the next ten years of the number of preschool and school-aged people in the area;
- (c) the reasonably anticipated need for the facility or service to be provided;
- (d) a description of the construction in reasonable detail, including: the expenditures contemplated; the estimated annual operating cost, including the anticipated salary and number of new staff necessitated by the proposal; and an evaluation of the energy efficiency and effectiveness of the construction, including estimated annual energy costs;
- (e) a description of existing facilities within the area to be served and within school districts adjacent to the area to be served; the extent to which existing facilities or services are used; the extent to which alternate space is available, including other school districts, post-secondary institutions,

or other public or private buildings; and the anticipated effect that the facility will have on existing facilities and services;

(f) the anticipated benefit of the facility to the area;

(g) if known, the relationship of the proposed construction to any priorities that have been established for the area to be served;

(h) the availability and manner of financing the facility and the estimated date to begin and complete the facility;

(i) desegregation requirements that cannot be met by any other reasonable means; and

(j) the relationship of the proposed facility to the cooperative integrated learning needs of the area; and

(k) the effects of operating the facility on the district's operating budget.

Sec. 5. Minnesota Statutes 1988, section 121.15, subdivision 8, is amended to read:

Subd. 8. [REVIEW OF PROPOSALS.] In reviewing each proposal, the commissioner shall submit to the school board, within ~~60~~ 90 days of receiving the proposal, the review and comment about the educational and economic advisability of the project. The review and comment shall be based on information submitted with the proposal, and other information the commissioner determines is necessary. If the commissioner submits a negative review and comment for a portion of a proposal, the review and comment shall clearly specify which portion of the proposal received a negative review and comment and which portion of the proposal received a positive review and comment.

Sec. 6. Minnesota Statutes Second 1989 Supplement, section 124.2442, subdivision 1, is amended to read:

Subdivision 1. [INSUFFICIENT FUNDS.] If the total appropriation for capital expenditure equipment aid or capital expenditure facilities aid for any fiscal year, plus any amount transferred under section 124.14, subdivision 7, is insufficient to pay all districts the full amount of aid earned, the department of education shall reduce each district's capital expenditure facilities and equipment revenue according to the calculations in subdivisions 2 to 4.

Sec. 7. Minnesota Statutes 1989 Supplement, section 124.38, subdivision 7, is amended to read:

Subd. 7. [MAXIMUM EFFORT DEBT SERVICE LEVY.] "Maximum effort debt service levy" means the lesser of:

(1) A levy in whichever of the following amounts is applicable:

(a) In any school district receiving a debt service loan for a debt service levy payable in 1991 and thereafter, or granted a capital loan which is approved after June 30, 1989, a levy in a total dollar amount computed at a rate of 20 percent of adjusted net tax capacity for taxes payable in 1991 and thereafter;

(b) In any school district granted a debt service loan after July 31, 1981, or granted a capital loan which is approved after July 31, 1981, a levy in a total dollar amount computed as a gross tax capacity rate of 13.08 percent on the adjusted gross tax capacity for taxes payable in 1990 or a net tax

capacity rate of ~~16.27~~ 18.42 percent on the adjusted net tax capacity for taxes payable in 1991 and thereafter;

(b) (c) In any school district granted a debt service loan before August 1, 1981, or granted a capital loan which was approved before August 1, 1981, a levy in a total dollar amount computed as a gross tax capacity rate of 12.26 percent on the adjusted gross tax capacity for taxes payable in 1990 or a net tax capacity rate of ~~15.26~~ 17.17 percent on the net tax capacity for taxes payable in 1991 and thereafter, until and unless the district receives an additional loan; or

(2) A levy in whichever of the following amounts is applicable:

(a) In any school district which received a debt service or capital loan from the state before January 1, 1965, a levy in a total dollar amount computed as 4.10 mills on the market value in each year, unless the district applies or has applied for an additional loan subsequent to January 1, 1965, or issues or has issued bonds on the public market, other than bonds refunding state loans, subsequent to January 1, 1967;

(b) In any school district granted a debt service or capital loan between January 1, 1965, and July 1, 1969, a levy in a total dollar amount computed as 5-1/2 mills on the market value in each year, until and unless the district receives an additional loan;

(c) In any school district granted a debt service or capital loan between July 1, 1969, and July 1, 1975, a levy in a total dollar amount computed as 6.3 mills on market value in each year until and unless the district has received an additional loan;

(d) In any school district for which a capital loan was approved prior to August 1, 1981, a levy in a total dollar amount equal to the sum of the amount of the required debt service levy and an amount which when levied annually will in the opinion of the commissioner be sufficient to retire the remaining interest and principal on any outstanding loans from the state within 30 years of the original date when the capital loan was granted; provided, that the school board in any district affected by the provisions of clause (2)(d) may elect instead to determine the amount of its levy according to the provisions of clause (1); provided further that if a district's capital loan is not paid within 30 years because it elects to determine the amount of its levy according to the provisions of clause (2)(d), the liability of the district for the amount of the difference between the amount it levied under clause (2)(d) and the amount it would have levied under clause (1), and for interest on the amount of that difference, shall not be satisfied and discharged pursuant to section 124.43, subdivision 4.

Sec. 8. [124.431] [CAPITAL LOANS.]

Subdivision 1. [CAPITAL LOAN REQUESTS AND USES.] Capital loans are available only to qualifying districts. Capital loans must not be used for the construction of swimming pools, ice arenas, athletic facilities, auditoriums, day care centers, bus garages, or heating system improvements. Proceeds of the loans may be used only for sites for education facilities and for acquiring, bettering, furnishing, or equipping education facilities. Contracts must be entered into within 18 months after the date on which each loan is granted.

Subd. 2. [DISTRICT REQUEST FOR REVIEW AND COMMENT.] A school district that intends to apply for a capital loan must submit a

proposal to the commissioner for review and comment according to section 121.15 on or before July 1. The district shall present the proposed project to the school board of each adjacent district at a public meeting of that district. The board of each adjacent district shall submit an evaluation of the proposed project to the commissioner. The evaluation shall be retained by the commissioner as a part of a permanent record of the district submitting the evaluation.

The commissioner must prepare a review and comment on the proposed facility, regardless of the amount of the capital expenditure required to construct the facility. The commissioner shall consider the following criteria in determining whether to make a positive review and comment. All of the criteria do not have to be met in order to receive a positive review and comment. The criteria are:

(1) the facilities are needed for pupils for whom no adequate facilities exist or will exist;

(2) the district will enroll at least 400 pupils in grades seven to 12 or is eligible for sparsity revenue;

(3) no form of cooperation with another district would provide the necessary facilities;

(4) no existing facilities that would meet the district's needs could be purchased from any other source within the area;

(5) the facilities are comparable in size and quality to facilities recently constructed in other districts that have similar enrollments;

(6) the district's need for facilities is comparable to that of other district facilities that are financed by bonds;

(7) the district is projected to maintain or increase its average daily membership over the next five years or is eligible for sparsity revenue;

(8) the state demographer examines the population of the communities to be served by the facility and determines that the communities have grown during the previous five years;

(9) the state demographer determines that the economic and population bases of the communities to be served by the facility are likely to grow or to remain at a level sufficient, during the next ten years, to ensure use of the entire facility;

(10) the need for facilities could not be met within the district or adjacent districts by leasing, repairing, remodeling, or sharing existing facilities or by using temporary facilities;

(11) the district's graduation rate is at or above the state average graduation rate;

(12) the district has made a good faith effort, as evidenced by its maintenance expenditures, to adequately maintain the existing facility during the previous ten years and to comply with fire, health, and life safety codes and state and federal requirements for handicapped accessibility;

(13) evaluations by school boards of adjacent districts have been received; and

(14) the district plans include cooperation and collaboration with health and human services agencies and other political subdivisions.

Subd. 3. [DISTRICT APPLICATION FOR CAPITAL LOAN.] The school board of a district desiring a capital loan shall adopt a resolution stating the amount proposed to be borrowed, the purpose for which the debt is to be incurred, and an estimate of the dates when the facilities for which the loan is requested will be contracted for and completed. Applications for loans must be accompanied by a copy of the adopted board resolution.

Applications must be in the form and accompanied by the additional data required by the commissioner. Applications must be received by the commissioner by November 1. A district must resubmit an application each year. Capital loan applications that do not receive voter approval or are not approved by specific act of the legislature cancel July 1 of the year following application. When an application is received, the commissioner shall obtain from the commissioner of revenue the information in the revenue department's official records that is required to be used in computing the debt limit of the district under section 475.53, subdivision 4.

Subd. 4. [STATE BOARD REVIEW; INDIVIDUAL DISTRICT PROPOSALS.] By January 1 of each year, the state board must review all applications for capital loans that have received a positive review and comment. When reviewing applications, the state board shall consider whether the criteria of subdivision 2 have been met. The state board may either approve or reject an application for a capital loan. The state board may not approve an application if all required deadlines have not been met.

The state board may approve a capital loan application in a reduced amount or change the application to meet any of the criteria.

Subd. 5. [STATE BOARD REVIEW; MULTIPLE DISTRICT PROPOSALS.] In addition to the requirements of subdivision 4, the state board may place additional requirements on projects that are designed to serve more than one district. These requirements may include but not be limited to:

- (1) limiting or increasing the number of districts that plan to use the facility;*
- (2) location of the facility;*
- (3) formation of a joint powers agreement among the participating districts;*
- (4) determination of which district, or group of districts acting under a joint powers agreement, will be responsible for issuing the bonds;*
- (5) determination of contributions by districts that are not directly responsible for issuance of the bonds; and*
- (6) minimum lengths of time that participating districts must contribute to the repayment of the bonds.*

Subd. 6. [RECOMMENDATIONS OF THE COMMISSIONER.] The commissioner shall examine and consider applications for capital loans that have been approved by the state board of education, and promptly notify any district rejected by the state board of the state board's decision.

As part of reviewing an application for a capital loan, the commissioner of education shall prepare estimated yearly repayments by the school district and the estimated amount of principal and interest that may be forgiven after the term of the loan. The estimates must assume no growth in tax capacity over the term of the loan, must assume a levy equal to the amount

computed in section 9, and must be prepared using a methodology approved by the commissioner of finance. The commissioner of education shall use a discount factor provided by the commissioner of finance in determining the present value of the estimated amount of interest and principal that may be forgiven after the term of the loan.

The commissioner shall make recommendations concerning each capital loan that has been approved by the state board and that has received voter approval to the education committees of the legislature by February 1 of each year. The commissioner must not recommend any capital loan that has not received voter approval. The commissioner shall also report on the money remaining in the capital loan account and, if necessary, request that another bond issue be authorized.

Subd. 7. [LOAN AMOUNT LIMITS.] (a) A loan must not be recommended for approval for any district exceeding an amount computed as follows:

(1) the amount requested by the district under subdivision 3;

(2) plus the aggregate principal amount of general obligation bonds of the district outstanding on June 30 of the year following the year the application was received, not exceeding the limitation on net debt of the district in section 475.53, subdivision 4, or 2.7 times its adjusted net tax capacity as most recently determined, whichever is less;

(3) less the maximum net debt permissible for the district on December 1 of the year the application is received, under the limitation in section 475.53, subdivision 4, or 2.7 times its adjusted net tax capacity as most recently determined, whichever is less;

(4) less any amount by which the amount voted exceeds the total cost of the facilities for which the loan is granted, as estimated in accordance with subdivision 4.

(b) The loan may be approved in an amount computed as provided in paragraph (a), clauses (1) to (3), subject to later reduction according to paragraph (a), clause (4).

Subd. 8. [LEGISLATIVE ACTION.] Each capital loan must be approved by specific act of the legislature.

If the aggregate amount of the capital loans exceeds the amount that is or can be made available, the commissioner shall allot the available amount among any number of qualified applicant districts, according to the commissioner's judgment and discretion, based upon the districts' respective needs.

Subd. 9. [DISTRICT REFERENDUM.] After receipt of the review and comment on the project and before February 1, the question authorizing the borrowing of money for the facilities must be submitted by the school board to the voters of the district at a regular or special election. The question submitted must state the total amount to be borrowed from all sources. Approval of a majority of those voting on the question is sufficient to authorize the issuance of the obligations on public sale in accordance with chapter 475. The district shall mail to the commissioner of education a certificate by the clerk showing the vote at the election.

Subd. 10. [CONTRACT.] Each capital loan must be evidenced by a

contract between the school district and the state acting through the commissioner. It must obligate the state to reimburse the district, from the maximum effort school loan fund, for eligible capital expenses for construction of the facility for which the loan is granted, an amount computed as provided in subdivision 6. The commissioner must receive from the school district a certified resolution of the school board reciting that contracts for construction of the facilities for which the loan is granted have been awarded and that bonds of the district have been issued and sold in the amount necessary to pay all costs of construction in excess of the amount of the loan, and estimating the costs. It must obligate the district to repay the loan out of the excesses of its maximum effort debt service levy over its required debt service levy, including interest at a rate equal to the weighted average annual rate payable on Minnesota state school loan bonds issued for the project and disbursed to the districts on a reimbursement basis, but in no event less than 3-1/2 percent per year on the principal amount from time to time unpaid. The district shall each year, as long as it is indebted to the state, levy for debt service (a) the amount of its maximum effort debt service levy or (b) the amount of its required debt service levy, whichever is greater, except as the required debt service levy may be reduced by a loan under section 124.42. On November 20 of each year each district having an outstanding capital loan shall compute the excess amount in the debt redemption fund. The commissioner shall prescribe the form and calculation to be used in computing the excess amount. A completed copy of this form shall be sent to the commissioner before December 1 of each year. The commissioner may recompute the excess amount and shall promptly notify the district of the recomputed amount. On December 15 of each year, the district shall remit to the commissioner an amount equal to the excess amount in the debt redemption fund. When the maximum effort debt service levy is greater, the district shall remit to the commissioner within ten days after its receipt of the last regular tax distribution in each year, that part of the debt service tax collections, including penalties and interest that exceeded the required debt service levy. The commissioner shall supervise the collection of outstanding accounts due the fund and may, by notice to the proper county auditor, require the maximum levy to be made as required in this subdivision. Interest on capital loans must be paid on December 15 of the year after the year the loan is granted and annually in later years. On or before November 1 in each year the commissioner shall notify the county auditor of each county containing taxable property situated within the school district of the amount of the maximum effort debt service levy of the district for that year. The county auditor or auditors shall extend upon the tax rolls an ad valorem tax upon all taxable property within the district in the aggregate amount so certified.

Subd. 11. [LOAN FORGIVENESS.] If any capital loan is not paid within 50 years after it is granted from maximum effort debt service levies in excess of required debt service levies, the liability of the school district on the loan is satisfied and discharged and interest on the loan ceases. After a district's capital loan has been outstanding for 20 years, the district must not issue bonds on the public market except to refund the loan.

Subd. 12. [PARTICIPATION BY COUNTY AUDITOR; RECORD OF CONTRACT; PAYMENT OF LOAN.] The school district shall file a copy of the capital loan contract with the county auditor of each county in which any part of the district is situated. The county auditor shall enter the capital loan, evidenced by the contract, in the auditor's bond register. The

commissioner shall keep a record of each capital loan and contract showing the name and address of the district, the date of the contract, and the amount of the loan initially approved. Interest on each disbursement accrues from the date posted.

Subd. 13. [BOND SALE LIMITATIONS.] A district having an outstanding state loan must not issue and sell any bonds on the public market, except to refund state loans, unless it agrees to make the maximum effort debt service levy in each later year at the higher rate provided in section 124.38, subdivision 7, and unless it schedules the maturities of the bonds according to section 475.54, subdivision 2. The district shall report each sale to the commissioner of education.

Sec. 9. [124.432] [JOINT POWERS AGREEMENTS FOR MAXIMUM EFFORT EDUCATION FACILITY AID CAPITAL LOANS.]

Any group of districts may form a joint powers district representing all participating districts to obtain a maximum effort education facility aid capital loan. The joint powers board may submit an application for a capital loan under section 124.431. The joint powers board must hold a hearing on the capital loan proposal. The joint powers district must submit the question of authorizing the borrowing of funds for the project 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 need from all sources. A majority of those voting in the affirmative on the question is sufficient to authorize the joint powers board to accept a capital loan and to issue the bonds on public sale according to chapter 475. The clerk of the joint powers board must certify the vote of the bond election to the commissioner of education.

Sec. 10. [124.478] [BOND ISSUE; MAXIMUM EFFORT LOANS; 1990.]

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 education facility aid law, the commissioner of finance shall issue and sell school loan bonds of the state of Minnesota in the maximum amount of \$, 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. 11. [FACILITIES REVIEW.]

Subdivision 1. [TASK FORCE ON EDUCATION ORGANIZATION OF THE COMMISSION.] The task force on education organization of the legislative commission on public education shall provide advice and make recommendations to the commissioner of education according to subdivision 2.

Subd. 2. [DUTIES OF THE COMMISSIONER.] The commissioner of education, in consultation with the task force on education organization according to subdivision 1 and other appropriate state and local officials, shall:

(1) prepare a document for school districts that explains all statutes and rules that apply to facilities used for instruction;

(2) develop a comprehensive on-site review form to be used when school buildings are inspected for educational adequacy, health and safety, and handicapped accessibility;

(3) determine who will conduct on-site inspections and develop a curriculum and training program to qualify individuals as on-site inspectors;

(4) determine whether standard plans for instructional facilities should be developed by a state architect;

(5) define the data elements related to instructional facilities that must be submitted by school districts to the department;

(6) conduct an inventory of the condition of existing facilities; and

(7) conduct a regional demographic and economic analysis.

Sec. 12. [1990 LOAN APPLICATIONS.]

Notwithstanding section 8, subdivision 3, or any other law to the contrary, capital loan applications recommended by the state board of education to the legislature before March 15, 1990, do not cancel until July 1, 1992.

Sec. 13. [HOLDINGFORD CAPITAL LOAN.]

Subdivision 1. [TIME EXTENSION.] Notwithstanding Minnesota Statutes, section 124.43, subdivision 1, independent school district No. 738, Holdingford, may enter into construction contracts for facilities for which a capital loan was granted within 24 months after the date the capital loan was granted.

Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective for independent school district No. 738 the day following compliance with Minnesota Statutes, section 645.021, subdivision 3, by the school board of the district.

Sec. 14. [APPROPRIATION.]

\$15,000 for fiscal year 1991 is appropriated from the general fund to the department of education for the purposes of section 11.

Sec. 15. [REPEALER.]

Minnesota Statutes 1988, section 124.43, subdivisions 2, 3, 3a, 3b, 4, 5, and 6; and Minnesota Statutes 1989 Supplement, section 124.43, subdivision 1, are repealed. The validity of bonds issued to fund loans issued under Minnesota Statutes 1988, section 124.43, or earlier law is not impaired. Districts obligated under contracts entered into under Minnesota Statutes 1988, section 124.43, or earlier law remain obligated until the obligations end under the terms of the contract.

Sec. 16. [EFFECTIVE DATE.]

Sections 8, 9, and 10 are effective the day following final enactment and apply to all capital loan requests received after that date."

Delete the title and insert:

"A bill for an act relating to education; modifying the maximum effort education facility aid law capital loan program and review and comment procedures for certain construction; authorizing the issuance of state bonds; appropriating money; amending Minnesota Statutes 1988, sections 121.148, subdivision 2; 121.15, subdivisions 1, 7, and 8; Minnesota Statutes 1989 Supplement, sections 121.15, subdivision 2; 124.38, subdivision 7; Minnesota Statutes Second 1989 Supplement, section 124.2442, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 124; repealing Minnesota Statutes 1988, section 124.43, subdivisions 2, 3, 3a, 3b, 4, 5, and 6; and Minnesota Statutes 1989 Supplement, section 124.43, subdivision 1."

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 2540: A bill for an act relating to taxation; updating references to the Internal Revenue Code; amending Minnesota Statutes 1989 Supplement, section 290.01, subdivision 19.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE I
INCOME, GROSS PREMIUMS,
AND FRANCHISE TAXES

Section 1. Minnesota Statutes Second 1989 Supplement, section 60A.15, subdivision 1, is amended to read:

Subdivision 1. [DOMESTIC AND FOREIGN COMPANIES.] (a) On or before April 15, June 15, and December 15 of each year, every domestic and foreign company, including town and farmers' mutual insurance companies and domestic mutual insurance companies, shall pay to the commissioner of revenue installments equal to one-third of the insurer's total estimated tax for the current year. Except as provided in paragraph (b), installments must be based on a sum equal to two percent of the premiums described in paragraph (c).

(b) For town and farmers' mutual insurance companies and mutual property and casualty insurance companies other than those (i) writing life insurance, or (ii) whose total assets ~~at the end of the preceding calendar year exceeded on December 31, 1989, exceeded~~ \$1,600,000,000, the installments must be based on an amount equal to the following percentages of the premiums described in paragraph (c):

(1) for premiums paid after December 31, 1988, and before January 1, 1992, one percent; and

(2) for premiums paid after December 31, 1991, one-half of one percent.

(c) Installments under paragraph (a) or (b) are percentages of gross premiums less return premiums on all direct business received by the insurer in this state, or by its agents for it, in cash or otherwise, during

such year, excepting premiums written for marine insurance as specified in subdivision 6.

(d) Failure of a company to make payments of at least one-third of either (1) the total tax paid during the previous calendar year or (2) 80 percent of the actual tax for the current calendar year shall subject the company to the penalty and interest provided in this section.

Sec. 2. Minnesota Statutes 1989 Supplement, section 290.01, subdivision 19, is amended to read:

Subd. 19. [NET INCOME.] The term "net income" means the federal taxable income, as defined in section 63 of the Internal Revenue Code of 1986, as amended through the date named in this subdivision, incorporating any elections made by the taxpayer in accordance with the Internal Revenue Code in determining federal taxable income for federal income tax purposes, and with the modifications provided in subdivisions 19a to 19f.

In the case of a regulated investment company or a fund thereof, as defined in section 851(a) or 851(h) of the Internal Revenue Code, federal taxable income means investment company taxable income as defined in section 852(b)(2) of the Internal Revenue Code, except that:

(1) the exclusion of net capital gain provided in section 852(b)(2)(A) of the Internal Revenue Code does not apply; and

(2) the deduction for dividends paid under section 852(b)(2)(D) of the Internal Revenue Code must be applied by allowing a deduction for capital gain dividends and exempt-interest dividends as defined in sections 852(b)(3)(C) and 852(b)(5) of the Internal Revenue Code.

The net income of a real estate investment trust as defined and limited by section 856(a), (b), and (c) of the Internal Revenue Code means the real estate investment trust taxable income as defined in section 857(b)(2) of the Internal Revenue Code.

The Internal Revenue Code of 1986, as amended through December 31, 1986, shall be in effect for taxable years beginning after December 31, 1986. The provisions of sections 10104, 10202, 10203, 10204, 10206, 10212, 10221, 10222, 10223, 10226, 10227, 10228, 10611, 10631, 10632, and 10711 of the Omnibus Budget Reconciliation Act of 1987, Public Law Number 100-203, and the provisions of sections 1001, 1002, 1003, 1004, 1005, 1006, 1008, 1009, 1010, 1011, 1011A, 1011B, 1012, 1013, 1014, 1015, 1018, 2004, 3041, 4009, 6007, 6026, 6032, 6137, 6277, and 6282 of the Technical and Miscellaneous Revenue Act of 1988, Public Law Number 100-647, and the provisions of sections 7811, 7816, and 7831 of the Omnibus Budget Reconciliation Act of 1989, Public Law Number 101-239, shall be effective at the time they become effective for federal income tax purposes.

The Internal Revenue Code of 1986, as amended through December 31, 1987, shall be in effect for taxable years beginning after December 31, 1987. The provisions of sections 4001, 4002, 4011, 5021, 5041, 5053, 5075, 6003, 6008, 6011, 6030, 6031, 6033, 6057, 6064, 6066, 6079, 6130, 6176, 6180, 6182, 6280, and 6281 of the Technical and Miscellaneous Revenue Act of 1988, Public Law Number 100-647, and the provisions of sections 7815 and 7821 of the Omnibus Budget Reconciliation Act of 1989, Public Law Number 101-239, shall become effective at the time they become effective for federal tax purposes.

The Internal Revenue Code of 1986, as amended through December 31, 1988, shall be in effect for taxable years beginning after December 31, 1988. *The provisions of sections 7101, 7102, 7104, 7105, 7201, 7202, 7203, 7204, 7205, 7206, 7207, 7210, 7211, 7301, 7302, 7303, 7304, 7601, 7621, 7622, 7641, 7642, 7645, 7647, 7651, and 7652 of the Omnibus Budget Reconciliation Act of 1989, Public Law Number 101-239, and the provision of section 1401 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, Public Law Number 101-73, shall become effective at the time they become effective for federal tax purposes.*

Except as otherwise provided, references to the Internal Revenue Code in subdivisions 19a to 19g mean the code in effect for purposes of determining net income for the applicable year.

Sec. 3. Minnesota Statutes Second 1989 Supplement, section 290.05, subdivision 1, is amended to read:

Subdivision 1. The following corporations, individuals, estates, trusts, and organizations shall be exempted from taxation under this chapter, provided that every such person or corporation claiming exemption under this chapter, in whole or in part, must establish to the satisfaction of the commissioner the taxable status of any income or activity:

(a) corporations, individuals, estates, and trusts engaged in the business of mining or producing iron ore and other ores the mining or production of which is subject to the occupation tax imposed by section 298.01; but if any such corporation, individual, estate, or trust engages in any other business or activity or has income from any property not used in such business it shall be subject to this tax computed on the net income from such property or such other business or activity. Royalty shall not be considered as income from the business of mining or producing iron ore within the meaning of this section;

(b) the United States of America, the state of Minnesota or any political subdivision of either agencies or instrumentalities, whether engaged in the discharge of governmental or proprietary functions;

(c) any insurance company that is domiciled in a state or country other than Minnesota that imposes retaliatory taxes, fines, deposits, penalties, licenses, or fees and that does not grant, on a reciprocal basis, exemption from such retaliatory taxes to insurance companies or their agents domiciled in Minnesota. "Retaliatory taxes" means taxes imposed on insurance companies organized in another state or country that result from the fact that an insurance company organized in the taxing jurisdiction and doing business in the other jurisdiction is subject to taxes, fines, deposits, penalties, licenses, or fees in an amount exceeding that imposed by the taxing jurisdiction upon an insurance company organized in the other state or country and doing business to the same extent in the taxing jurisdiction; and

(d) town and farmers' mutual insurance companies and mutual property and casualty insurance companies, other than those (1) writing life insurance or (2) whose total assets ~~at the end of the preceding calendar year~~ ~~exceed~~ *on December 31, 1989, exceeded* \$1,600,000,000.

Sec. 4. Minnesota Statutes Second 1989 Supplement, section 290.06, subdivision 1, is amended to read:

Subdivision 1. [COMPUTATION, CORPORATIONS.] The franchise tax imposed upon corporations shall be computed by applying to their taxable

income the rate of ~~9.5~~ 9.7 percent.

Sec. 5. Minnesota Statutes Second 1989 Supplement, section 290.0921, subdivision 1, is amended to read:

Subdivision 1. [TAX IMPOSED.] ~~(a)~~ In addition to the taxes computed under this chapter without regard to this section, the franchise tax imposed on corporations includes a tax equal to the excess, if any, for the taxable year of:

(1) ~~seven~~ 5.7 percent of Minnesota alternative minimum taxable income less the credit allowed under section 290.35, subdivision 3; over

(2) the tax imposed under section 290.06, subdivision 1, without regard to this section.

~~(b) If the sum of the corporation's Minnesota sales and receipts, property, and payrolls, as defined in section 290.092, subdivision 4, exceeds \$5,000,000, the amount under paragraph (a), clause (1), is the greater of~~

~~(1) \$500 or~~

~~(2) the amount otherwise determined.~~

~~The provisions of this paragraph do not apply to corporations subject to tax under section 60A.15, subdivision 1; real estate investment trusts; and regulated investment companies or a fund thereof.~~

Sec. 6. Minnesota Statutes Second 1989 Supplement, section 290.0921, subdivision 3, is amended to read:

Subd. 3. [ALTERNATIVE MINIMUM TAXABLE INCOME.] "Alternative minimum taxable income" is Minnesota net income as defined in section 290.01, subdivision 19, and includes the adjustments and tax preference items in sections 56, 57, 58, and 59(d), (e), (f) and (h) of the Internal Revenue Code. If a corporation files a separate company Minnesota tax return, the minimum tax must be computed on a separate company basis. If a corporation is part of a tax group filing a unitary return, the minimum tax must be computed on a unitary basis. The following adjustments must be made.

(1) For purposes of the depreciation adjustments under section 56(a)(1) and 56(g)(4)(A) of the Internal Revenue Code, the basis for depreciable property placed in service in a taxable year beginning before January 1, 1990, is the adjusted basis for federal income tax purposes, including any modification made in a taxable year under section 290.01, subdivision 19e, or Minnesota Statutes 1986, section 290.09, subdivision 7, paragraph (c).

(2) The alternative tax net operating loss deduction under sections 56(a)(4) and 56(d) of the Internal Revenue Code does not apply.

(3) The special rule for ~~100 percent~~ *certain* dividends under section 56(g)(4)(C)(ii) of the Internal Revenue Code does not apply.

(4) The special rule for dividends from section 936 companies under section 56(g)(4)(C)(iii) does not apply.

(5) The tax preference for depletion under section 57(a)(1) of the Internal Revenue Code does not apply.

(6) The tax preference for intangible drilling costs under section 57(a)(2) of the Internal Revenue Code must be calculated without regard to the subtraction under section 290.01, subdivision 19d, clause (4).

(7) The tax preference for tax exempt interest under section 57(a)(5) of the Internal Revenue Code does not apply.

(8) The tax preference for charitable contributions of appreciated property under section 57(a)(6) of the Internal Revenue Code does not apply.

(9) For purposes of calculating the tax preference for accelerated depreciation or amortization on certain property placed in service before January 1, 1987, under section 57(a)(7) of the Internal Revenue Code, the deduction allowable for the taxable year is the deduction allowed under section 290.01, subdivision 19e.

(10) For purposes of calculating the adjustment for adjusted current earnings in section 56(g) of the Internal Revenue Code, the term "alternative minimum taxable income" as it is used in section 56(g) of the Internal Revenue Code, means alternative minimum taxable income as defined in this subdivision, determined without regard to the adjustment for adjusted current earnings in section 56(g) of the Internal Revenue Code.

(11) For purposes of determining the amount of adjusted current earnings under section 56(g)(3) of the Internal Revenue Code, no adjustment shall be made under section 56(g)(4) of the Internal Revenue Code with respect to (i) the amount of foreign dividend gross-up subtracted as provided in section 290.01, subdivision 19d, clause (1), (ii) the amount of refunds of income, excise, or franchise taxes subtracted as provided in section 290.01, subdivision 19d, clause (10), or (iii) the amount of royalties, fees or other like income subtracted as provided in section 290.01, subdivision 19d, clause (11).

Items of tax preference must not be reduced below zero as a result of the modifications in this subdivision.

Sec. 7. [290.0922] [MINIMUM FEE; CORPORATIONS.]

Subdivision 1. [IMPOSITION.] (a) In addition to the tax imposed by this chapter without regard to this section, the franchise tax imposed on a corporation other than a corporation having a valid election in effect under section 1362 of the Internal Revenue Code of 1986, as amended through December 31, 1989, for the taxable year includes a tax equal to the following amounts:

If the sum of the corporation's Minnesota property, payrolls, and sales or receipts is:

<i>less than \$ 1,000,000</i>	<i>the tax equals:</i>	<i>\$100</i>
<i>\$ 1,000,000 to \$ 4,999,999</i>		<i>\$300</i>
<i>\$ 5,000,000 to \$ 9,999,999</i>		<i>\$1,000</i>
<i>\$10,000,000 to \$19,999,999</i>		<i>\$2,000</i>
<i>\$20,000,000 or more</i>		<i>\$4,000</i>

(b) A tax is imposed annually beginning in 1990 on a corporation required to file a return under section 290.41, subdivision 1, that has a valid election in effect for the taxable year under section 1362 of the Internal Revenue Code of 1986, as amended through December 31, 1989, and on a partnership required to file a return under section 290.41, subdivision 1, other than a partnership that derives over 80 percent of its income from farming. The tax imposed under this paragraph is due on or before the due date of the return due under section 290.41, subdivision 1, for the calendar year following the calendar year in which the tax is imposed. The commissioner

shall prescribe the return to be used for payment of this tax. The tax under this paragraph is equal to the following amounts:

<i>If the sum of the corporation's Minnesota property, payrolls, and sales or receipts is:</i>	<i>the tax equals:</i>
<i>less than \$ 1,000,000</i>	<i>\$100</i>
<i>\$ 1,000,000 to \$ 4,999,999</i>	<i>\$300</i>
<i>\$ 5,000,000 to \$ 9,999,999</i>	<i>\$1,000</i>
<i>\$10,000,000 to \$19,999,999</i>	<i>\$2,000</i>
<i>\$20,000,000 or more</i>	<i>\$4,000</i>

Subd. 2. [EXEMPTIONS.] The following entities are exempt from the tax imposed by this section:

- (1) corporations subject to tax under section 290.05, subdivision 3;*
- (2) real estate investment trusts;*
- (3) regulated investment companies or a fund thereof; and*
- (4) entities having a valid election in effect under section 860D(b) of the Internal Revenue Code of 1986, as amended through December 31, 1989.*

Subd. 3. [DEFINITION.] "Minnesota sales or receipts," "Minnesota property," and "Minnesota payrolls" have the meanings given in section 290.092, subdivision 4.

Sec. 8. Minnesota Statutes 1988, section 290.31, subdivision 1, is amended to read:

Subdivision 1. [PARTNERS, NOT PARTNERSHIP, SUBJECT TO TAX.] A partnership as such shall not be subject to the income tax imposed by this chapter, *but is subject to the tax imposed under section 290.0922.* Persons carrying on business as partners shall be liable for income tax only in their separate or individual capacities.

Sec. 9. Minnesota Statutes 1988, section 290.9725, is amended to read:
290.9725 [S CORPORATION.]

For purposes of this chapter, the term "S corporation" means any corporation having a valid election in effect for the taxable year under section 1362 of the Internal Revenue Code of 1986, as amended through December 31, 1987. An S corporation shall not be subject to the taxes imposed by this chapter, except the taxes imposed under sections 290.0922, 290.92, 290.927, 290.9728, and 290.9729.

Sec. 10. [INSTRUCTION TO REVISOR.]

In the next edition of Minnesota Statutes, the revisor of statutes shall substitute the phrase "Internal Revenue Code of 1986, as amended through December 31, 1989" for the words "Internal Revenue Code of 1986, as amended through December 31, 1988" wherever it occurs in chapters 290, 290A, and 291 except for the use of the phrase in section 290.01, subdivision 19.

Sec. 11. [FEDERAL CHANGES.]

The changes made by sections 7841, 7304(a), 7817, 7110, 7815, 7816, 7811(d) of the Omnibus Budget Reconciliation Act of 1989, Public Law Number 101-239, and sections 202, 203, and 204 of Public Law Number

101-140 that affect the computation of gross income as defined in Minnesota Statutes, section 290.01, subdivision 20, the credit for research and experimental expenditures as defined in Minnesota Statutes, section 290.068, subdivision 2, the credit for state death taxes allowable as defined in Minnesota Statutes, section 291.03, subdivision 1, and the federal alternative minimum taxable income as defined in Minnesota Statutes, section 290.091, subdivision 2, shall be in effect at the same time they become effective for federal income and estate tax purposes.

The change made by section 7631 of the Omnibus Budget Reconciliation Act of 1989, Public Law Number 101-239, that changes the definition of wages subject to withholding in Minnesota Statutes, section 290.92, subdivision 1, paragraph (1), shall be effective for Minnesota for wages paid after December 31, 1990.

Sec. 12. [SEVERABILITY; INSURANCE TAXATION.]

(a) If the provision of Minnesota Statutes, section 60A.15, subdivision 1, enacted in section 1, providing a reduced insurance premiums tax rate to mutual insurance companies is found by a final nonappealable order of a court of competent jurisdiction to be unconstitutional or to have an unconstitutional effect on the application of the insurance premiums tax to other insurance companies, the legislature intends that section 1 be invalid and the otherwise applicable insurance premiums tax rates apply.

(b) If the provision of Minnesota Statutes, section 290.05, subdivision 1, clause (d), enacted in section 3, exempting a mutual insurance company from taxation under the corporate franchise tax is found by a final nonappealable order of a court of competent jurisdiction to be unconstitutional or to have an unconstitutional effect on the application of the corporate franchise tax to other insurance companies, the legislature intends that the exemption enacted in section 3 be invalid and the corporate franchise tax apply.

Sec. 13. [ESTIMATED TAXES; EXCEPTION.]

For taxable years beginning after December 31, 1989, but before January 1, 1991, the commissioner of revenue may not assess any penalties, interest, or additions to tax that are the result of a corporation's failure to make sufficient estimated tax payments due to the changes in this article.

Sec. 14. [SMALL BUSINESS TAX STUDY.]

The department of revenue shall conduct a study of the state and local tax burden in relation to ability to pay for businesses with combined Minnesota property, payroll, and sales of less than \$5,000,000 per year. The study shall present the state and local tax burden, net of federal income tax considerations, for representative businesses of various sizes, legal structures, and levels of profitability. The study shall relate tax burden to such measures of ability to pay as taxable income, economic income, assets, and sales. The study shall be submitted to the chairpersons of the tax committee of the house of representatives and senate by December 1, 1990.

Sec. 15. [REPEALER.]

Minnesota Statutes Second 1989 Supplement, section 290.06, subdivision 1a, is repealed.

Sec. 16. [EFFECTIVE DATE.]

Section 1 is effective for premiums paid after December 31, 1989. The

remainder of this article is effective for taxable years beginning after December 31, 1989, except as otherwise provided.

ARTICLE 2

PROPERTY TAX

Section 1. Minnesota Statutes Second 1989 Supplement, section 3.982, is amended to read:

3.982 [FISCAL NOTES FOR STATE-MANDATED ACTIONS.]

When a bill ~~proposing a new or expanded mandate on a political subdivision~~ is introduced and referred to a standing committee, ~~the head of each affected department or agency of the state government shall the commissioner of finance shall determine whether the bill proposes a new or expanded mandate on a political subdivision. If the commissioner determines that a new or expanded mandate is proposed, the commissioner shall direct the appropriate department or agency of state government to prepare a fiscal note identifying the projected fiscal impact of the bill on state government and on the affected political subdivisions. The commissioner of finance shall be responsible for coordinating the fiscal note process, for assuring the accuracy and completeness of the note, and for ensuring that fiscal notes are prepared, delivered, and updated as provided in this section. The fiscal note shall categorize mandates as program or nonprogram mandates and shall include estimates of the levy impacts of the mandates. To the extent that the bill would impose new fiscal obligations on political subdivisions, the note shall indicate the efforts made to reduce those obligations, including consultations made with representatives of the political subdivisions. Chairs of legislative committees receiving bills on rereferrals from other legislative committees may request that fiscal notes be amended to reflect amendments made to the bills by prior committee action. Preparation of the fiscal notes required in this section shall be consistent with section 3.98. The commissioner of finance shall periodically report to and consult with the legislative commission on planning and fiscal policy on the issuance of the notes.~~

Sec. 2. Minnesota Statutes Second 1989 Supplement, section 124.83, subdivision 1, is amended to read:

Subdivision 1. [HEALTH AND SAFETY PROGRAM.] To receive health and safety revenue a district, *including an intermediate district*, must submit to the commissioner of education an application for aid and levy by June 1 in the previous school year. The application may be for hazardous substance removal, fire code compliance, or life safety repairs. 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. 3. Minnesota Statutes 1989 Supplement, 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, 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. *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. 4. [134.342] [ALLOCATION OF LEVY AUTHORITY.]

Subdivision 1. [AUTHORITY.] A regional public library system board may adopt a written resolution to assume responsibility for the allocation of the regional library system levy authority throughout the region. If adopted, the board shall furnish a list to the commissioners of revenue and education by July 1 of the levy year, containing the name of each member city, town, and county that will be participating in that regional system.

Subd. 2. [DETERMINATION OF LEVY LIMITATION.] The levy limitation for a regional library system is equal to the sum of the total maximum amount allowable for operating regional library services for all member cities, towns, and counties within the region subject to the levy limitation under section 275.50, subdivision 5, clause (o). If a member city or town of a regional library system is not subject to the levy limitations under sections 275.50 to 275.56, the commissioner of revenue shall determine a levy limitation for the purposes of this section as if the member was subject to the provisions of section 275.50, subdivision 5, clause (o). The commissioner of revenue shall determine the total maximum amount allowable for the regional library system and shall certify the total amount to the regional library board and to the commissioner of education by August 1 of the levy year.

Subd. 3. [ALLOCATION OF AUTHORITY.] A regional public library system board that has resolved to allocate library levy authority among its member cities, towns, and counties shall allocate the amount, up to the total amount certified to the board by the commissioner of revenue, and shall notify each member city, town, and county by August 15 of the levy year of its respective share of the total library levy for the region. Each member city, town, or county located in the region may levy the amount so requested by the board, provided that the total levy of the regional public library system as a whole shall not exceed 106 percent of its levy for this purpose for the preceding levy year.

The board shall certify to the commissioners of revenue and education by September 1 of the levy year the levy amount allocated to each member city, town, and county in the regional library system.

Subd. 4. [NON-ALLOCATED REGIONAL LIBRARY LEVY LIMITATION.] A city, town, or county located within a regional library system that does not allocate library levy authority under subdivisions 1 to 3 but is subject to the levy limitations under sections 275.50 to 275.56, shall levy according to section 275.50, subdivision 5, clause (o), to pay the operating costs of a regional library system.

Sec. 5. Minnesota Statutes 1988, section 136D.27, subdivision 2, is amended to read:

Subd. 2. [PROHIBITED LEVIES.] Notwithstanding section 136D.24 or any other law to the contrary, the joint school board may not certify, either itself, to any participating district, or to any cooperating school district, any levies for any purpose, except the levies authorized by subdivision 1, sections 124.83, subdivision 4, 127.05, 275.125, subdivisions 8c and 14a,

275.48, and 475.61, and for the joint school board's obligations under section 268.06, subdivision 25, for which a levy is authorized by section 275.125, subdivision 4.

Sec. 6. Minnesota Statutes 1989 Supplement, section 136D.27, subdivision 3, is amended to read:

Subd. 3. [PROHIBITED STATE AIDS.] Notwithstanding section 136D.24 or any law to the contrary, the department of education shall not pay, unless explicitly authorized by statute, any state aid, grant, credit, or other money to the joint school board, except the aid, credit, or money authorized by sections 121.201, 123.3514, 124.252, 124.32, 124.573, 124.574, and 124.646, 124.83, and chapter 273.

Sec. 7. Minnesota Statutes 1988, section 136D.74, subdivision 2a, is amended to read:

Subd. 2a. [PROHIBITED LEVIES.] Notwithstanding subdivisions 2 and 4, section 136D.73, subdivision 3, or any other law to the contrary, the intermediate school board may not certify, either itself, to any participating district, or to any cooperating school district, any levies for any purpose, except the levies authorized by subdivision 1, sections 124.83, subdivision 4, 127.05, 275.125, subdivisions 8c and 14a, 275.48, and 475.61, and for the intermediate school board's obligations under section 268.06, subdivision 25, for which a levy is authorized by section 275.125, subdivision 4.

Sec. 8. Minnesota Statutes 1989 Supplement, section 136D.74, subdivision 2b, is amended to read:

Subd. 2b. [PROHIBITED STATE AIDS.] Notwithstanding subdivision 4 or any law to the contrary, the department of education shall not pay, unless explicitly authorized, any state aid, grant, credit, or other money to the intermediate school board, except the aid, credit, or money authorized by sections 121.201, 123.3514, 124.252, 124.32, 124.573, 124.574, and 124.646, 124.83, and chapter 273.

Sec. 9. Minnesota Statutes 1988, section 136D.87, subdivision 2, is amended to read:

Subd. 2. [PROHIBITED LEVIES.] Notwithstanding section 136D.84 or any other law to the contrary, the joint school board may not certify, either itself, to any participating district, or to any cooperating school district, any levies for any purpose, except the levies authorized by subdivision 1, sections 124.83, subdivision 4, 127.05, 275.125, subdivisions 8c and 14a, 275.48, and 475.61, and for the joint school board's obligations under section 268.06, subdivision 25, for which a levy is authorized by section 275.125, subdivision 4.

Sec. 10. Minnesota Statutes 1989 Supplement, section 136D.87, subdivision 3, is amended to read:

Subd. 3. [PROHIBITED STATE AIDS.] Notwithstanding section 136D.24 or any law to the contrary, the department of education shall not pay, unless explicitly authorized, any state aid, grant, credit, or other money to the joint school board, except for aid, credit, or money authorized by sections 121.201, 123.3514, 124.252, 124.32, 124.573, 124.574, and 124.646, 124.83, and chapter 273.

Sec. 11. Minnesota Statutes 1988, section 169.86, subdivision 1, is

amended to read:

Subdivision 1. [APPLICATION FOR PERMIT.] The commissioner, with respect to highways under the commissioner's jurisdiction, and local authorities, with respect to highways under their jurisdiction, may, in their discretion, upon application in writing and good cause being shown therefor, issue a special permit, in writing, authorizing the applicant to move a vehicle or combination of vehicles of a size or weight of vehicle or load exceeding the maximum specified in this chapter, or otherwise not in conformity with the provisions of this chapter, upon any highway under the jurisdiction of the party granting such permit and for the maintenance of which such party is responsible.

Permits relating to over-width, over-length manufactured homes shall not be issued to persons other than manufactured home dealers for movement of new units owned by the manufactured home dealer, until the person has presented a statement from the county auditor and treasurer where the unit is presently located, stating that all personal and real property taxes have been paid. This statement must be dated within 30 days of the contemplated move. The statement from the county auditor and treasurer where the unit is presently located, stating that all personal and real property taxes have been paid, may be made by telephone. If the statement is obtained by telephone, the permit shall contain the date and time of the telephone call and the names of the persons in the auditor's office and treasurer's office who verified that all personal and real property taxes had been paid.

Sec. 12. Minnesota Statutes Second 1989 Supplement, section 273.064, is amended to read:

273.064 [EXAMINATION OF LOCAL ASSESSOR'S WORK; COMPLETION OF ASSESSMENTS.]

The county assessor shall examine the assessment appraisal records of each local assessor anytime after ~~January 15~~ *December 1* of each year and shall immediately give notice in writing to the governing body of said district of any deficiencies in the assessment procedures with respect to the quantity of or quality of the work done as of that date and indicating corrective measures to be undertaken and effected by the local assessor not later than 30 days thereafter. If, upon reexamination of such records at that time, the deficiencies noted in the written notice previously given have not been substantially corrected to the end that a timely and uniform assessment of all real property in the county will be attained, then the county assessor with the approval of the county board shall collect the necessary records from the local assessor and complete the assessment or employ others to complete the assessment. When the county assessor has completed the assessments, the local assessor shall thereafter resume the assessment function within the district. In this circumstance the cost of completing the assessment shall be charged against the assessment district involved. The county auditor shall certify the costs thus incurred to the appropriate governing body not later than August 1 and if unpaid as of September 1 of the assessment year, the county auditor shall levy a tax upon the taxable property of said assessment district sufficient to pay such costs. The amount so collected shall be credited to the general revenue fund of the county.

Sec. 13. Minnesota Statutes 1989 Supplement, section 273.11, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] Except as provided in subdivisions 6, 8,

and 9 or section 273.17, subdivision 1, all property shall be valued at its market value. The market value as determined pursuant to this section shall be stated such that any amount under \$100 is rounded up to \$100 and any amount exceeding \$100 shall be rounded to the nearest \$100. In estimating and determining such value, the assessor shall not adopt a lower or different standard of value because the same is to serve as a basis of taxation, nor shall the assessor adopt as a criterion of value the price for which such property would sell at a forced sale, or in the aggregate with all the property in the town or district; but the assessor shall value each article or description of property by itself, and at such sum or price as the assessor believes the same to be fairly worth in money. *The assessor shall take into account the effect on the market value of property of environmental factors in the vicinity of the property.* In assessing any tract or lot of real property, the value of the land, exclusive of structures and improvements, shall be determined, and also the value of all structures and improvements thereon, and the aggregate value of the property, including all structures and improvements, excluding the value of crops growing upon cultivated land. In valuing real property upon which there is a mine or quarry, it shall be valued at such price as such property, including the mine or quarry, would sell for a fair, voluntary sale, for cash. In valuing real property which is vacant, the fact that such property is platted shall not be taken into account. An individual lot of such platted property shall not be assessed in excess of the assessment of the land as if it were unplatted until the lot is improved with a permanent improvement all or a portion of which is located upon the lot, or for a period of three years after final approval of said plat whichever is shorter. When a lot is sold or construction begun, the net tax capacity of that lot or any single contiguous lot fronting on the same street shall be eligible for reassessment. All property, or the use thereof, which is taxable under section 272.01, subdivision 2, or 273.19, shall be valued at the market value of such property and not at the value of a leasehold estate in such property, or at some lesser value than its market value.

Sec. 14. Minnesota Statutes Second 1989 Supplement, section 273.119, subdivision 2, is amended to read:

Subd. 2. [REIMBURSEMENT FOR LOST REVENUE.] The county may transfer money from the county conservation account created in section 40A.152 to the county revenue fund to reimburse the fund for the cost of the property tax credit. The county auditor shall certify to the commissioner of revenue, as part of the abstracts of tax lists required to be filed with the commissioner under section 275.29, the amount of tax lost to the county from the property tax credit under subdivision 1 and the extent that the tax lost exceeds funds available in the county conservation account. Any prior year adjustments must also be certified in the abstracts of tax lists. The commissioner of revenue shall review the certifications to determine their accuracy. The commissioner may make the changes in the certification that are considered necessary or return a certification to the county auditor for corrections. The commissioner shall reimburse each taxing district, other than school districts, from the Minnesota conservation fund under section 40A.151 for the taxes lost in excess of the county account. The payments must be made at the ~~times~~ *time* provided in section ~~477A.015~~ *473H.10*, subdivision 3, for payment of local government aid to taxing jurisdictions in the same proportion that the ad valorem tax is distributed.

Sec. 15. Minnesota Statutes Second 1989 Supplement, section 273.123, subdivision 4, is amended to read:

Subd. 4. [STATE REIMBURSEMENT.] The county auditor shall calculate the tax on the property described in subdivision 2 based on the assessment made on January 2 of the year in which the disaster or emergency occurred. The difference between the tax determined on the January 2 gross tax capacity and the tax actually payable based on the reassessed gross tax capacity determined under subdivision 2 shall be reimbursed to each taxing jurisdiction in which the damaged property is located. The amount shall be certified by the county auditor and reported to the commissioner of revenue. The commissioner shall make the payments to the taxing jurisdictions, other than school districts, containing the property at the time distributions are made under section ~~477A.015~~ 473H.10, subdivision 3, in the same proportion that the ad valorem tax is distributed.

Sec. 16. Minnesota Statutes 1988, section 273.124, is amended by adding a subdivision to read:

Subd. 3a. [MANUFACTURED HOME PARK COOPERATIVE.] When a manufactured home park is owned by a corporation or association organized under chapter 308A, and each person who owns a share or shares in the corporation or association is entitled to occupy a lot within the park, the corporation or association may claim homestead treatment for each lot occupied by a shareholder. Each lot must be designated by legal description or number. The net tax capacity of the manufactured home park is the sum of the net tax capacities of each of the respective lots comprising the manufactured home park. To qualify for the treatment provided by this subdivision, the corporation or association must be wholly owned by persons having a right to occupy a lot owned by the corporation or association. A charitable corporation, organized under the laws of Minnesota, and granted a ruling by the Internal Revenue Service for 501(c)(3) tax-exempt status, which owns and operates a manufactured home park shall qualify for homestead treatment on the park.

Sec. 17. Minnesota Statutes 1988, section 273.124, is amended by adding a subdivision to read:

Subd. 15. [RESIDENCE OF DISABLED CHILD OF OWNER.] The principal residence of an individual who has a permanent disability as defined in section 290A.03, subdivision 10, shall be classified as a homestead if the residence is wholly owned by a parent or both parents of the individual. The application for homestead benefits must be on a form prescribed by the commissioner and must contain the information necessary for the assessor to determine whether homestead classification under this subdivision is warranted.

Sec. 18. Minnesota Statutes Second 1989 Supplement, section 273.13, subdivision 23, is amended to read:

Subd. 23. [CLASS 2.] (a) Class 2a property is agricultural land including any improvements that is homesteaded. The market value of the house and garage and immediately surrounding one acre of land has the same class rates as class 1a property under subdivision 22. If the market value of the house, garage, and surrounding one acre of land is less than \$100,000, the value of the remaining land including improvements equal to the difference between \$100,000 and the market value of the house, garage, and surrounding one acre of land has a net class rate of .4 percent of market value and a gross class rate of 1.75 percent of market value. The remaining value of class 2a property over \$100,000 of market value that does not exceed 320 acres has a net class rate of 1.3 percent of market value for taxes

payable in 1990, 1.4 percent of market value for taxes payable in 1991, and 1.5 percent of market value for taxes payable in 1992 and thereafter, and a gross class rate of 2.25 percent of market value. The remaining property over the \$100,000 market value in excess of 320 acres has a class rate of 1.7 percent of market value for taxes payable in 1990, 1.6 percent of market value for taxes payable in 1991, and 1.5 percent of market value for taxes payable in 1992 and thereafter, and a gross tax capacity of 2.25 percent of market value.

(b) Class 2b property is (1) real estate, rural in character and used exclusively for growing trees for timber, lumber, and wood and wood products; and (2) real estate that is nonhomestead agricultural land. Class 2b property has a net class rate of 1.7 percent of market value for taxes payable in 1990, 1.6 percent of market value for taxes payable in 1991, and 1.5 percent of market value for taxes payable in 1992 and thereafter, and a gross class rate of 2.25 percent of market value.

(c) Agricultural land as used in this section means contiguous acreage of ten acres or more, primarily used during the preceding year for agricultural purposes. Agricultural use may include pasture, timber, waste, unusable wild land, and land included in federal farm programs. "Agricultural purposes" as used in this section means the raising or cultivation of agricultural products, and includes the commercial boarding of horses if the commercial boarding of horses is done in conjunction with the raising or cultivation of agricultural products.

(d) Real estate of less than ten acres used principally for raising poultry, livestock, fruit, vegetables or other agricultural products, including the breeding of fish for sale and consumption if the fish breeding occurs on land zoned for agricultural use, shall be considered as agricultural land, if it is not used primarily for residential purposes. The term "agricultural products" as used in the preceding sentence means any of the products identified in section 273.111, subdivision 6, clause (2). "Agricultural purposes" as used in this section means the raising or cultivation of agricultural products.

(e) If a parcel used for agricultural purposes is also used for commercial or industrial purposes, including but not limited to:

- (1) wholesale and retail sales;
- (2) processing of raw agricultural products or other goods;
- (3) warehousing or storage of processed goods; and
- (4) office facilities for the support of the activities enumerated in clauses (1), (2), and (3),

the assessor shall classify the part of the parcel used for agricultural purposes as class 1b, 2a, or 2b, whichever is appropriate, and the remainder in the class appropriate to its use. The grading, sorting, and packaging of raw agricultural products for first sale is considered an agricultural purpose. A greenhouse or other building where horticultural or nursery products are grown that is also used for the conduct of retail sales must be classified as agricultural if it is primarily used for the growing of horticultural or nursery products from seed, cuttings, or roots and occasionally as a showroom for the retail sale of those products. Use of a greenhouse or building only for the display of already grown horticultural or nursery products does

not qualify as an agricultural purpose.

The assessor shall determine and list separately on the records the market value of the homestead dwelling and the one acre of land on which that dwelling is located. If any farm buildings or structures are located on this homesteaded acre of land, their market value shall not be included in this separate determination.

Sec. 19. Minnesota Statutes Second 1989 Supplement, section 273.13, subdivision 24, is amended to read:

Subd. 24. [CLASS 3.] (a) Commercial and industrial property and utility real and personal property, except class 5 property as identified in subdivision 31, clause (1), is class 3a. It has a class rate of 3.3 percent of the first \$100,000 of market value for taxes payable in 1990, ~~3.2 and 3.25~~ percent for taxes payable in 1991, ~~3.1 percent for taxes payable in 1992, and three percent for taxes payable in 1993~~ and thereafter, and 5.06 percent of the market value over \$100,000. In the case of state-assessed commercial, industrial, and utility property owned by one person or entity, only one parcel has a reduced class rate on the first \$100,000 of market value. In the case of other commercial, industrial, and utility property owned by one person or entity, only one parcel in each county has a reduced class rate on the first \$100,000 of market value.

(b) Employment property defined in section 469.166, during the period provided in section 469.170, shall constitute class 3b and has a class rate of 2.4 percent of the first \$50,000 of market value and 3.6 percent of the remainder, except that for employment property located in a border city enterprise zone designated pursuant to section 469.168, subdivision 4, paragraph (c), the class rate of the first \$100,000 of market value and the class rate of the remainder is determined under paragraph (a), unless the governing body of the city designated as an enterprise zone determines that a specific parcel shall be assessed pursuant to the first clause of this sentence. The governing body may provide for assessment under the first clause of the preceding sentence only for property which is located in an area which has been designated by the governing body for the receipt of tax reductions authorized by section 469.171, subdivision 1.

Sec. 20. Minnesota Statutes Second 1989 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 3.6 percent of market value.

(b) Class 4b includes:

(1) residential real estate containing less than four units, other than seasonal residential, and recreational;

(2) post-secondary student housing not to exceed one acre of land which is owned by a nonprofit corporation organized under chapter 317 and is used exclusively by a sorority or fraternity organization for housing;

(3) manufactured homes not classified under any other provision;

(4) a dwelling, garage, and surrounding one acre of property on a non-homestead farm classified under subdivision 23, paragraph (b).

Class 4b property has a class rate of 3.0 percent of market value.

(c) Class 4c property includes:

(1) a structure that is situated on real property that is used for housing for the elderly or for low and moderate income families as defined by Title II of the National Housing Act or the Minnesota housing finance agency law of 1971 or rules promulgated by the agency pursuant thereto and financed by a direct federal loan or federally insured loan or a loan made by the Minnesota housing finance agency pursuant to the provisions of either of those acts and acts amendatory thereof. 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 that (i) receives a low-income housing credit under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1988; or (ii) meets the requirements of that section. Classification pursuant to this clause is limited to ~~buildings the construction or rehabilitation of which began after May 1, 1988, and 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. 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.

(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 317; (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 225 days in the year preceding the year of assessment. For this purpose, property is devoted to commercial use on a specific day if it is used, or offered for use, and a fee is charged for the use. 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 225 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 and clause (6) also includes the remainder of class 1c resorts; ~~and~~

(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, 1988. 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; and

(7) *manufactured home parks as defined in section 327.14, subdivision 3.*

Class 4c property has a class rate of 2.4 percent of market value.

(d) Class 4d property includes any structure:

(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.

Class 4d property has a class rate of 1.7 percent of market value for taxes payable in 1990, and two percent of market value for taxes payable thereafter.

(e) Residential rental property that would otherwise be assessed as class 4 property under paragraph (a); paragraph (b), clauses (1) and (2); paragraph (c), clause (1), (2), (3), or (4); or paragraph (d), 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.

Sec. 21. Minnesota Statutes Second 1989 Supplement, section 273.13, subdivision 32, is amended to read:

Subd. 32. [TARGET CLASS RATE.] All classes of property with a class rate of 5.06 percent have a target class rate of four percent. At the time of submission of the biennial budget under section 16A.11, the governor shall recommend the effective class rate for taxes payable in the following two calendar years by designating a "phase-in percentage," equal to the proportion of the effective class rate that will be based on the target class rate of four percent, with the remaining proportion based on the class rate of 5.06 percent. The governor shall identify and include within the budget funding for the increased expenditures for homestead and agricultural credit aid over the amount of expenditures for homestead and agricultural credit aid provided in Laws 1989, First Special Session chapter 1, that are estimated to result from the recommendation. At that time, the governor may propose alternative programs other than homestead and agricultural credit aid to prevent other taxpayers' taxes from increasing as a result of the governor's recommended increase in the phase-in percentage. The effective net class rate is the sum of the products of:

(1) the phase-in percentage adopted by the legislature multiplied by four percent; and

(2) 100 percent minus the phase-in percentage multiplied by 5.06 percent.

The phase-in percentage in any year cannot be less than it was in the prior year. The phase-in percentage for taxes payable in 1991 is ~~ten~~ five

percent provided that the governor may recommend an alternative phase-in percentage for taxes payable in 1991.

Beginning in 1991, the commissioner of revenue shall annually set the effective class rate to use for taxes payable in the following year as provided in this subdivision and announce it by June 1. For purposes of any aid, levy limitation, debt limit, or salary limitation, and property tax administration, net tax capacity must be computed with reference to the effective class rate for the properties affected by this subdivision.

Sec. 22. Minnesota Statutes Second 1989 Supplement, section 273.1398, subdivision 6, is amended to read:

Subd. 6. [PAYMENT.] The commissioner shall certify the aids provided in subdivisions 2, 2b, 3, and 5 before December 1, 1989, and October 1 thereafter of the year preceding the distribution year to the county auditor of the affected local government and pay them ~~and the credit reimbursements~~ to local governments other than school districts at the times provided in section 477A.015 for payment of local government aid to taxing jurisdictions. *The disparity reduction credit provided in subdivision 4 must be paid to taxing jurisdictions other than school districts at the time provided in section 473H.10, subdivision 3.* Aids and credit reimbursements to school districts must be certified to the commissioner of education and paid under section 273.1392. Except for education districts and secondary cooperatives that receive revenue according to section 124.2721 or 124.575, payment shall not be made to any taxing jurisdiction that has ceased to levy a property tax nor shall homestead and agricultural credit aid be payable on the part of a levy to which homestead and agricultural credit aid was separately allocated under subdivision 2, paragraph (b), clause (2), which is no longer levied.

Sec. 23. Minnesota Statutes Second 1989 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 shall certify to the county auditor the 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 ~~with a population over 5,000~~, counties, school districts, and special taxing districts.

Sec. 24. Minnesota Statutes Second 1989 Supplement, section 275.065, subdivision 3, is amended to read:

Subd. 3. [NOTICE OF PROPOSED PROPERTY TAXES.] (a) The county auditor shall prepare and the county treasurer shall deliver on or before November 10 each year, by first class mail to each taxpayer at the address listed on the county's current year's assessment roll, a notice of proposed property taxes *and, in the case of a town, final property taxes.*

(b) The commissioner of revenue shall prescribe the form of the notice.

(c) The notice must inform taxpayers that it contains the amount of

property taxes each taxing authority *other than a town* proposes to collect for taxes payable the following year as required in paragraph (d) or (e) *and, for a town, the amount of its final levy*. It must clearly state that each taxing authority, other than a town or special taxing district, will hold a public meeting to receive public testimony on the proposed budget and *proposed or final* property tax levy, or, in case of a school district, on the proposed property tax levy. It must clearly state the time and place of each taxing authority's meeting and an address where comments will be received by mail. It must state the time and place for the continuation of the hearing if the hearing is not completed on the original date.

(d) Except as provided in paragraph (e), the notice must state by county, city or town, and school district:

(1) the total proposed *or, for a town, final* property tax levy for taxes payable the following year after reduction for state aid;

(2) the percentage increase or decrease from the actual property tax levy for taxes payable in the current year; and

(3) for counties, cities, and towns, the increase or decrease in population from the second previous calendar year to the immediately prior calendar year, as determined by the state demographer, and for school districts, the increase or decrease in the number of pupils in average daily membership from the second previous school year to the immediately prior school year as determined by the commissioner of education.

For purposes of this paragraph, "proposed property taxes after reduction for state aid" means the taxing authority's levy certified under section 275.07, subdivision 1.

(e) In the case of a county containing a city of the first class, or taxing authority lying wholly within a county or counties containing a city of the first class, for taxes levied in ~~1994~~ 1990, and thereafter, the notice must state for each parcel:

(1) the market value of the property as defined under section 272.03, subdivision 8, for property taxes payable in the following year and for taxes payable the current year;

(2) by county, city or town, school district, the sum of the special taxing districts, and as a total of the taxing authorities, including special taxing districts, the proposed *or, for a town, final* net tax on the property for taxes payable the following year and the actual tax for taxes payable the current year; and

(3) the increase or decrease in the amounts in clause (2) from taxes payable in the current year to proposed *or, for a town, final* taxes payable the following year, expressed as a dollar amount and as a percentage.

(f) The notice must clearly state that the proposed *or final* taxes do not include the following:

(1) special assessments;

(2) levies approved by the voters after the date the proposed taxes are certified, including bond referenda, school district levy referenda, and levy limit increase referenda;

(3) amounts necessary to pay cleanup or other costs due to a natural disaster occurring after the date the proposed taxes are certified; and

(4) amounts necessary to pay tort judgments against the taxing authority that become final after the date the proposed taxes are certified.

Sec. 25. Minnesota Statutes Second 1989 Supplement, section 275.065, subdivision 6, is amended to read:

Subd. 6. [PUBLIC HEARING; ADOPTION OF BUDGET AND LEVY.] Between November 15 and December 20, the governing bodies of the city and county shall each hold a public hearing to adopt its final budget and property tax levy for taxes payable in the following year, and the governing body of the school district shall hold a public hearing to adopt its property tax levy for taxes payable in the following year.

At the hearing, the taxing authority, other than a school district, may amend the proposed budget and property tax levy and must adopt a final budget and property tax levy, and the school district may amend the proposed property tax levy and must adopt a final property tax levy.

The adopted property tax levy must not exceed the proposed levy determined under subdivision 1, except by an amount up to the sum of the following amounts:

(1) the amount of a school district levy whose voters approved a referendum to increase taxes under section 124A.03, subdivision 2, or 124.82, subdivision 3, after the proposed levy was certified;

(2) the amount of a city or county levy approved by the voters under section 275.58 after the proposed levy was certified;

(3) the amount of a levy to pay principal and interest on bonds issued or approved by the voters under section 475.58 after the proposed levy was certified;

(4) the amount of a levy to pay costs due to a natural disaster occurring after the proposed levy was certified, if that amount is approved by the commissioner of revenue under subdivision 6a; and

(5) the amount of a levy to pay tort judgments against a taxing authority that become final after the proposed levy was certified, if the amount is approved by the commissioner of revenue under subdivision 6a.

At the hearing the percentage increase in property taxes proposed by the taxing authority, if any, and the specific purposes for which property tax revenues are being increased must be discussed. During the discussion, the governing body shall hear comments regarding a proposed increase and explain the reasons for the proposed increase. The public shall be allowed to speak and to ask questions prior to adoption of any measures by the governing body. The governing body, other than the governing body school districts, shall adopt its final property tax levy prior to adopting its final budget.

The hearing must be held after 5:00 p.m. if scheduled on a day other than Saturday. No hearing may be held on a Sunday. ~~The commissioner of revenue county auditor shall provide for the coordination of hearing dates so that a taxing authority does not schedule public meetings on the days scheduled for the hearing by another taxing authority.~~

By August 1, the county auditor shall notify the clerk of each school district within the county of the dates that the county board has designated for its hearing and any continuation under subdivision 3. By August 15, each school board shall certify to the county auditor the dates on which

it elects to hold its hearings and any continuations under subdivision 3. If a school board does not certify the dates by August 15, the auditor will assign the hearing date. The dates elected or assigned must not conflict with the county hearing dates. By August 20, the county auditor shall notify the clerks of the cities within the county of the dates on which the county and school districts have elected to hold their hearings. At the time a city certifies its proposed levy under subdivision 1 it shall certify the dates on which it elects to hold its hearings and any continuations under subdivision 3. The city must not select dates that conflict with those elected by or assigned to the county and school districts in which the city is located.

The hearing dates so elected or assigned must be designated on the notices required under subdivision 3.

This subdivision does not apply to towns and special taxing districts. The commissioner of revenue shall determine what constitutes a special taxing district for the purpose of this exemption.

Sec. 26. Minnesota Statutes 1989 Supplement, section 275.125, subdivision 6i, is amended to read:

Subd. 6i. [RULE COMPLIANCE LEVY.] Each year a district that is required to implement a plan according to the requirements of Minnesota Rules, parts 3535.0200 to 3535.2200, may levy an amount not to exceed a gross tax capacity rate of ~~.80 percent times the adjusted gross tax capacity of the district for taxes payable in 1990~~ or a net tax capacity rate of ~~1.0~~ 2.0 percent times the adjusted net tax capacity of the district for taxes payable in 1991 and thereafter. Independent school district No. 625, St. Paul, may levy according to this subdivision and subdivision 6e. Notwithstanding section 121.904, the entire amount of this levy shall be recognized as revenue for the fiscal year in which the levy is certified. This levy shall not be considered in computing the aid reduction under section 124.155.

Sec. 27. Minnesota Statutes 1988, section 275.125, subdivision 10, is amended to read:

Subd. 10. [CERTIFICATION OF LEVY LIMITATIONS.] *By August 15, 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 ~~shall have the right to~~ 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 ~~not to exceed~~ two calendar years.

Sec. 28. Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5, is amended to read:

Subd. 5. Notwithstanding any other law to the contrary for taxes levied in 1989 payable in 1990 and subsequent years, "special levies" means those portions of ad valorem taxes levied by governmental subdivisions to:

(a) for taxes levied in 1990, payable in 1991 and subsequent years, pay

the costs not reimbursed by the state or federal government, of payments made to or on behalf of recipients of aid under any public assistance program authorized by law, and the costs of purchase or delivery of social services. The aggregate amounts levied under this clause for the costs of purchase or delivery of social services and income maintenance programs, other than those identified in section 273.1398, subdivision 1, paragraph (i), are subject to a maximum increase over the amount levied for the previous year of 12 percent for counties within the metropolitan area as defined in section 473.121, subdivision 2, or counties outside the metropolitan area but containing a city of the first class, and 15 percent for other counties. For purposes of this clause, "income maintenance programs" include income maintenance programs in section 273.1398, subdivision 1, paragraph (i), to the extent the county provides benefits under those programs over the statutory mandated standards. Effective with taxes levied in 1990, the portion of this special levy for human service programs identified in section 273.1398, subdivision 1, paragraph (i), is eliminated;

(b) pay the costs of principal and interest on bonded indebtedness except on bonded indebtedness issued under section 471.981, subdivisions 4 to 4c, or to reimburse for the amount of liquor store revenues used to pay the principal and interest due in the year preceding the year for which the levy limit is calculated on municipal liquor store bonds;

(c) pay the costs of principal and interest on certificates of indebtedness, except tax anticipation or aid anticipation certificates of indebtedness, issued for any corporate purpose except current expenses or funding an insufficiency in receipts from taxes or other sources or funding extraordinary expenditures resulting from a public emergency; and to pay the cost for certificates of indebtedness issued pursuant to sections 298.28 and 298.282;

(d) fund the payments made to the Minnesota state armory building commission pursuant to section 193.145, subdivision 2, to retire the principal and interest on armory construction bonds;

(e) provide for the bonded indebtedness portion of payments made to another political subdivision of the state of Minnesota;

(f) pay the amounts required, in accordance with section 275.075, to correct for a county auditor's error of omission but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;

(g) pay amounts required to correct for an error of omission in the levy certified to the appropriate county auditor or auditors by the governing body of a city or town with statutory city powers in a levy year, but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;

(h) pay amounts required by law to be paid to pay the interest on and to reduce the unfunded accrued liability of public pension funds in accordance with the actuarial standards and guidelines specified in sections 356.215 and 356.216 reduced by 106 percent of the amount levied for that purpose in 1976, payable in 1977. For the purpose of this special levy, the estimated receipts expected from the state of Minnesota pursuant to sections 69.011

to 69.031 or any other state aid expressly intended for the support of public pension funds shall be considered as a deduction in determining the required levy for the normal costs of the public pension funds. No amount of these aids shall be considered as a deduction in determining the governmental subdivision's required levy for the reduction of the unfunded accrued liability of public pension funds;

(i) to compensate the state for the cost of a reassessment ordered by the commissioner of revenue pursuant to section 270.16;

(j) pay the debt service on tax increment financing revenue bonds to the extent that revenue to pay the bonds or to maintain reserves for the bonds is insufficient as a result of the provisions of Laws 1988, chapter 719, article 5;

(k) pay the cost of hospital care under section 261.21;

(l) pay the unreimbursed costs incurred in the previous year to satisfy judgments rendered against the governmental subdivision by a court of competent jurisdiction in any tort action, or to pay the costs of settlements out of court against the governmental subdivision in a tort action when substantiated by a stipulation for the dismissal of the action filed with the court of competent jurisdiction and signed by both the plaintiff and the legal representative of the governmental subdivision, provided that an appeal for the unreimbursed costs under this clause was approved by the commissioner of revenue under section 275.51, subdivision 3;

(m) pay the expenses reasonably and necessarily incurred in preparing for or repairing the effects of natural disaster including the occurrence or threat of widespread or severe damage, injury, or loss of life or property resulting from natural causes such as earthquake, fire, flood, wind storm, wave action, oil spill, water contamination, air contamination, or drought in accordance with standards formulated by the emergency services division of the state department of public safety, provided that an appeal for the expenses incurred under this clause were approved by the commissioner of revenue under section 275.51, subdivision 3;

(n) pay a portion of the losses in tax receipts to a city due to tax abatements or court actions in the year preceding the current levy year, provided that an appeal for the tax losses was approved by the commissioner of revenue under section 275.51, subdivision 3. This special levy is limited to the amount of the losses times the ratio of the nonspecial levies to total levies for taxes payable in the year the abatements were granted. County governments are not authorized to claim this special levy;

(o) pay the operating cost of regional library services authorized under section 134.34, subject to a maximum increase over the previous year of the greater of (1) 103 percent multiplied by one plus the percentage increase determined for the governmental subdivision under section 275.51, subdivision 3h, clause (b), or (2) six percent. If a governmental subdivision elected to include some or all of its levy for libraries within its adjusted levy limit base in the prior year, but elects to claim the levy as a special levy in the current levy year, the allowable increase is determined by applying the greater percentage determined under clause (1) or (2) to the total amount levied for libraries in the prior levy year. After levy year 1989, the increase must not be determined using a base amount other than the amount that could have been levied as a special levy in the prior year. *This limit may be redistributed according to the provisions of section*

134.342. In no event shall the special levy be less than the minimum levy required under sections 134.33 and 134.34, subdivisions 1 and 2;

(p) pay the amount of the county building fund levy permitted under section 373.40, subdivision 6;

(q) pay the county's share of the costs levied in 1989, 1990, and 1991 for the Minnesota cooperative soil survey under Minnesota Statutes 1988, section 40.07, subdivision 15;

(r) for taxes levied in 1989, payable in 1990 only, pay the cost incurred for the minimum share required by counties levying for the first time under section 134.34 as required under section 134.341. For taxes levied in 1990, and thereafter, counties levying under this provision must levy under clause (o), and their allowable increase must be determined with reference to the amount levied in 1989 under this paragraph;

(s) for taxes levied in 1989, payable in 1990 only, provide an amount equal to 50 percent of the estimated amount of the reduction in aids to a county under sections 273.1398, subdivision 2, paragraph (d), and 477A.012, subdivision 3, for aids payable in 1990;

(t) for taxes levied in 1990 only by a county in the eighth judicial district, provide an amount equal to the amount of the levy, if any, that is required under Laws 1989, chapter 335, article 3, section 54, subdivision 8;

(u) for taxes levied in 1989, payable in 1990 only, pay the costs not reimbursed by the state or federal government:

(i) for the costs of purchase or delivery of social services. The aggregate amounts levied under this item are subject to a maximum increase over the amount levied in the previous year of 12 percent for counties within the metropolitan area as defined in section 473.121, subdivision 2, or counties outside the metropolitan area but containing a city of the first class, and 15 percent for other counties.

(ii) for payments made to or on behalf of recipients of aid under any public assistance program authorized by law. The aggregate amounts levied under this item are subject to a maximum increase over the amount levied in the previous year of 12 percent and must be used only for the public assistance programs; ~~and.~~

If the amount levied under this paragraph (u) in 1989 is less than the actual expenditures needed for these programs for 1990, the difference between the actual expenditures and the amount levied may be levied in 1990 as a special levy. If the amount levied in 1989 is greater than the actual expenditures needed for these programs for 1990, the difference between the amount levied and the actual expenditures shall be deducted from the 1990 levy limit, payable in 1991;

(v) pay an amount of up to 25 percent of the money sought for distribution and approved under section 115A.557, subdivision 3, paragraph (b), clause (3);

(w) pay the unreimbursed costs of per diem jail or correctional facilities services paid by the county in the previous 12-month period ending on July 1 of the current year provided that the county is operating under a department of corrections directive that limits the capacity of county jails or correctional facilities;

(x) for taxes levied in 1990 and 1991, payable in 1991 and 1992 only,

pay the operating or maintenance costs of a county jail as authorized in section 641.01 or 641.262, or of a correctional facility as defined in section 241.021, subdivision 1, paragraph (5), to the extent that the county can demonstrate to the commissioner of revenue that the amount has been included in the county budget as a direct result of a rule, minimum requirement, minimum standard, or directive of the department of corrections. If the county utilizes this special levy, any amount levied by the county in the previous levy year for the purposes specified under this clause and included in the county's previous year's levy limitation computed under section 275.51, shall be deducted from the levy limit base under section 275.51, subdivision 3f, when determining the county's current year levy limitation. The county shall provide the necessary information to the commissioner of revenue for making this determination.

~~If the amount levied in 1989 is less than the actual expenditures needed for these programs for 1990, the difference between the actual expenditures and the amount levied may be levied in 1990 as a special levy. If the amount levied in 1989 is greater than the actual expenditures needed for these programs for 1990, the difference between the amount levied and the actual expenditures shall be deducted from the 1990 levy limit, payable in 1991.~~

Sec. 29. Minnesota Statutes Second 1989 Supplement, section 275.51, subdivision 3f, is amended to read:

Subd. 3f. [LEVY LIMIT BASE.] (a) The property tax levy limit base for governmental subdivisions for taxes levied in 1988 shall be equal to the total actual levy for taxes payable in 1988 with additions and subtractions as specified in paragraphs (b) and (c).

(b) The amounts to be added to the actual 1988 levy are (1) the amount of local government aid the governmental subdivision was certified to receive in 1988 under sections 477A.011 to 477A.014, (2) its 1988 taconite aids under sections 298.28 and 298.282, and (3) its 1988 wetlands and native prairie reimbursements under Minnesota Statutes 1986, sections 273.115, subdivision 3, and 273.116, subdivision 3.

(c) The amounts to be subtracted from the actual 1988 levy are (1) any special levies claimed for taxes payable in 1988 pursuant to Laws 1987, chapter 268, article 5, section 12, subdivision 4, clauses (1), (2), (3), and (4); and (2) for a governmental subdivision participating in a regional library system receiving grants from the department of education under section 134.34, the amount levied for taxes payable in 1988 for the operating costs of a public library service.

(d) For taxes levied in 1989 and subsequent years, a governmental subdivision's levy limit base is equal to its adjusted levy limit base for the preceding year, provided that for taxes levied in 1989, the amount of the administrative reimbursement aid received in 1988 shall be added to the base.

(e) For taxes levied by a county in 1989, the levy limit base determined under paragraph (d) shall be reduced by an amount equal to 90 percent of the cost of public defender services for felonies and gross misdemeanors and the costs of law clerks in the county that are assumed by the state during calendar year 1990, less 103 percent of one-half the amount of fees collected by the courts in the county during calendar year 1988. For taxes levied in 1990, the levy limit base determined under paragraph (d) shall

first be increased by the product of (1) the amount deducted under this paragraph for taxes levied in 1989 and (2) the adjustments under subdivision 3h, paragraphs (a) and (b), for taxes levied in 1989, and then shall be reduced by an amount equal to the cost of public defender services for felonies and gross misdemeanors and the cost of law clerks in the county that are assumed by the state during calendar year 1991, less the amount of fees collected by the courts in the county during calendar year 1989, computed at the rate of \$30 for civil and probate filings and \$20 for marriage dissolutions.

(f) For taxes levied in 1989 only, by a county that is located in the eighth judicial district, the levy limit base determined under paragraphs (d) and (e) shall be further reduced by an amount equal to 90 percent of the cost of operation of the trial courts in the county during calendar year 1990 that are assumed by the state and for which an appropriation is provided, less 103 percent of the sum of (1) the remaining one-half of the amount of fees and (2) 100 percent of the amount of fines collected by the courts in the county during calendar year 1988. For taxes levied in 1990 only by those counties, the levy limit base determined under paragraphs (d) and (e) shall first be increased by the product of (1) the amount deducted under this paragraph for taxes levied in 1989 and (2) the adjustments under subdivision 3h, paragraphs (a) and (b), for taxes levied in 1989, and then shall be further reduced by an amount equal to the cost of operation of the trial courts in the county during the first six months of calendar year 1991 that are assumed by the state less 50 percent of the amount of fines collected by the courts during calendar year 1989.

(g) By October 15, 1989, the board of public defense shall determine and certify to the commissioner of revenue the pro rata share for each county of the state-financed public defense services described in paragraph (e) during the six-month period beginning July 1, 1990. By October 15, 1989, the supreme court shall determine and certify to the department of revenue for each county the pro rata share for each county of the cost of providing law clerks during the three-month period beginning October 1, 1990, plus, for each county located in the eighth judicial district, the cost of operation of the trial courts during calendar year 1990.

By July 15, 1990, the board of public defense shall determine and certify to the department of revenue the pro rata share for each county of the state-financed public defense services described in paragraph (e) during calendar year 1991. By July 15, 1990, the supreme court shall determine and certify to the department of revenue for each county the pro rata share for each county of the cost of providing law clerks during calendar year 1991 plus, for each county located in the eighth judicial district, the cost of operation of the trial courts during the first six months of 1991.

(h) For taxes levied in a county in 1991, the levy limit base shall be reduced by an amount equal to the cost in the county of court reporters, judicial officers, and district court referees and the expenses of law clerks and court reporters as authorized in sections 484.545, subdivision 3, and 486.05, subdivisions 1 and 1a, as certified by the supreme court pursuant to section 477A.012, subdivision 4.

(i) If a governmental subdivision received an adjustment to its levy limit base for taxes levied in 1988 under section 275.51, subdivision 3j, its levy limit base for taxes levied in 1989 must be reduced by the lesser of (1) the adjustment under section 275.51, subdivision 3j, or (2) the difference between

its (i) levy limit for taxes levied in 1988 and its (ii) total actual levy for taxes levied in 1988 minus any special levies claimed for taxes levied in 1988 under section 275.50, subdivision 5.

Sec. 30. Minnesota Statutes Second 1989 Supplement, section 275.51, subdivision 4, is amended to read:

Subd. 4. If the levy made by a governmental subdivision exceeds the limitation provided in sections 275.50 to 275.56, except when such excess levy is due to the rounding of the tax capacity rates of the governmental subdivision in accordance with section 275.28, subsequent distributions required to be made by the commissioner of finance from any formula aids pursuant to sections 477A.011 to 477A.014, or homestead and agricultural credit aid under section 273.1398, or *taconite aids under sections 298.28 and 298.282* shall be reduced 33 cents for each full dollar the levy exceeds the limitation.

Sec. 31. Minnesota Statutes 1988, section 275.55, is amended to read:

275.55 [STATE REVIEW AND REGULATION OF LEVIES.]

Subdivision 1. [REVIEW; PENALTIES FOR VIOLATIONS.] The commissioner of revenue, or designees, shall establish procedures by which levies of all governmental units shall be periodically reviewed. The commissioner shall be empowered to order withholding of state aids where such penalties are authorized by law, to issue, in accordance with chapter 14, rulings interpreting sections 275.50 to 275.56, and to take such other administrative actions as the commissioner deems necessary in order to carry out the provisions of sections 275.50 to 275.56. If the commissioner of revenue takes administrative action or any other action authorized by this section to enforce the provisions of sections 275.50 to 275.56, the commissioner shall give written notice of such action to the governmental subdivision affected. Such notice shall specify the actual or impending violations by the governmental subdivision of sections 275.50 to 275.56 or the rules of the department of revenue pertaining thereto, describe the corrective action required, including, in the case of an excess levy, reduction of the governmental subdivision's levy in the next succeeding levy year in an amount equal to the amount of the excess levy, set a reasonable period of time within which the governmental subdivision shall correct the specified actual or impending violations and caution the governmental subdivision that if the specified correction is not made within the time allowed, the state aids to the governmental subdivision pursuant to sections 477A.011 to 477A.014, or *homestead and agricultural credit aid pursuant to section 273.1398, or taconite aids pursuant to sections 298.28 and 298.282*, as amended, will be reduced as provided in section 275.51, subdivision 4. The time period first allowed for correction may be extended by the commissioner if there is a reasonable basis for delay. County auditors, in addition to duties otherwise provided by law, shall cooperate with the commissioner in establishing such procedures and enforcing the provisions of sections 275.50 to 275.56.

Subd. 2. [EXCESS LEVIES FOR 1992.] *Notwithstanding the provisions of subdivision 1, for a home rule charter city, statutory city, or town that exceeds its payable 1992 levy limitation determined under section 275.51, a penalty shall be imposed consisting of a reduction in state aids payable to the city or town in 1992. Notwithstanding the provisions of subdivision 1, for a county that exceeds its payable 1992 levy limitation determined under section 275.51, a penalty shall be imposed consisting of a reduction*

in state aids payable to the county in 1992. The amount of the penalty imposed on the county, city, or town and the state aids affected shall be as determined under section 275.51, subdivision 4.

Sec. 32. Minnesota Statutes Second 1989 Supplement, section 276.09, is amended to read:

276.09 [SETTLEMENT BETWEEN AUDITOR AND TREASURER.]

On the later of May 20 of each year or 21 calendar days after the postmark date on the envelopes containing real or personal property tax statements, the county treasurer shall make full settlement with the county auditor of all receipts collected for all purposes, from the date of the last settlement up to and including each day mentioned. The county auditor shall, within 30 days after the settlement, send an abstract of it to the state auditor in the form prescribed by the state auditor. At the settlement the treasurer shall make complete returns of the receipts on the current tax list, showing the amount collected on account of the several funds included in the list.

Settlement of receipts from *the later of May 20 or the actual settlement date* to December 31 of each year must be made as provided in section 276.111.

For purposes of this section, "receipts" includes all tax payments received by the county treasurer on or before the settlement date.

Sec. 33. Minnesota Statutes Second 1989 Supplement, section 276.10, is amended to read:

276.10 [APPORTIONMENT AND DISTRIBUTION OF FUNDS.]

On the settlement day in May of determined in section 276.09 for each year, the county auditor and county treasurer shall distribute all undistributed funds in the treasury. The funds must be apportioned as provided by law, and credited to the state, town, city, school district, special district and each county fund. Within 20 days after the distribution is completed, the county auditor shall report to the state auditor in the form prescribed by the state auditor. The county auditor shall issue a warrant for the payment of money in the county treasury to the credit of the state, town, city, school district, or special districts on application of the persons entitled to receive the payment. The county auditor may apply the tax capacity rate from the year before the year of distribution when apportioning and distributing delinquent tax proceeds, if the composition of the previous year's tax capacity rate between taxing districts is not significantly different than from the tax capacity rate that existed for the year of the delinquency.

Sec. 34. Minnesota Statutes Second 1989 Supplement, section 276.11, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] As soon as practical after the ~~May~~ settlement day determined in section 276.09, the county treasurer shall pay to the state treasurer or the treasurer of a town, city, school district, or special district, on the warrant of the county auditor, all receipts of taxes levied by the taxing district and deliver up all orders and other evidences of indebtedness of the taxing district, taking triplicate receipts for them. The treasurer shall file one of the receipts with the county auditor, and shall return one by mail on the day of its receipt to the clerk of the town, city, school district, or special district to which payment was made. The clerk shall keep the receipt in the clerk's office. Upon written request of

the taxing district, to the extent practicable, the county treasurer shall make partial payments of amounts collected periodically in advance of the next settlement and distribution. A statement prepared by the county treasurer must accompany each payment. It must state the years for which taxes included in the payment were collected and, for each year, the amount of the taxes and any penalties on the tax. Upon written request of a taxing district, except school districts, the county treasurer shall pay at least 70 percent of the estimated collection within 30 days after the ~~May~~ settlement date *determined in section 276.09*. Within seven business days after the due date, or 28 calendar days after the postmark date on the envelopes containing real or personal property tax statements, whichever is latest, the county treasurer shall pay to the treasurer of the school districts 50 percent of the estimated collections arising from taxes levied by and belonging to the school district. The remaining 50 percent of the estimated collections must be paid to the treasurer of the school district within the next seven business days. The treasurer shall pay the balance of the amounts collected to the state or to a municipal corporation or other body within 60 days after the ~~May~~ settlement date *determined in section 276.09*. After 45 days interest at an annual rate of eight percent accrues and must be paid to the taxing district. Interest must be paid upon appropriation from the general revenue fund of the county. If not paid, it may be recovered by the taxing district, in a civil action.

Sec. 35. Minnesota Statutes 1988, section 276.111, is amended to read:

276.111 [DISTRIBUTIONS AND FINAL YEAR-END SETTLEMENT.]

Within seven business days after October 15, the county treasurer shall pay to the school districts 50 percent of the estimated collections arising from taxes levied by and belonging to the school district from ~~May 20~~ the settlement day *determined in section 276.09* to October 20. The remaining 50 percent of the estimated tax collections must be paid to the school district within the next seven business days. Within ten business days after November 15, the county treasurer shall pay to the school district 100 percent of the estimated collections arising from taxes levied by and belonging to the school districts from October 20 to November 20.

Within ten business days after November 15, the county treasurer shall pay to each taxing district, except any school district, 100 percent of the estimated collections arising from taxes levied by and belonging to each taxing district from ~~May 20~~ the settlement day *determined in section 276.09* to November 20.

On or before January 5, the county treasurer shall make full settlement with the county auditor of all receipts collected from ~~May 20~~ the settlement day *determined in section 276.09* to December 31. After subtracting any tax distributions that have been made to the taxing districts in October and November, the treasurer shall pay to each of the taxing districts on or before January 25, the balance of the tax amounts collected on behalf of each taxing district. Interest accrues at an annual rate of eight percent and must be paid to the taxing district if this final settlement amount is not paid by January 25. Interest must be paid upon appropriation from the general revenue fund of the county. If not paid, it may be recovered by the taxing district in a civil action.

Sec. 36. Minnesota Statutes 1989 Supplement, section 279.01, subdivision 1, is amended to read:

Subdivision 1. Except as provided in subdivision 3, on May 16, of each year, with respect to property actually occupied and used as a homestead by the owner of the property; or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later, a penalty of three percent shall accrue and thereafter be charged upon all unpaid taxes on real estate on the current lists in the hands of the county treasurer; and a penalty of. The penalty shall be at a rate of three percent on homestead property and seven percent on nonhomestead property; except that. This penalty shall not accrue until June 1 of each year or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later, on commercial use real property used for seasonal residential recreational purposes and classified as class 1c or 4c, and on other commercial use real property classified as class 3a, provided that over 60 percent of the gross income earned by the enterprise on the class 3a property is earned during the months of May, June, July, and August. Any property owner of such class 3a property who pays the first half of the tax due on the property after May 15 and before June 1 shall attach an affidavit to the payment attesting to compliance with the income provision of this subdivision. Thereafter, for both homestead and nonhomestead property, on the first day of each month, up to and including October 1 following, an additional penalty of one percent for each month shall accrue and be charged on all such unpaid taxes. When the taxes against any tract or lot exceed \$50, one-half thereof may be paid prior to May 16 or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later; and, if so paid, no penalty shall attach; the remaining one-half shall be paid at any time prior to October 16 following, without penalty; but, if not so paid, then a penalty of four percent shall accrue thereon for homestead property and a penalty of four percent on nonhomestead property. Thereafter, for homestead property, on the first day of November and December following, an additional penalty of two percent for each month shall accrue and be charged on all such unpaid taxes. Thereafter, for nonhomestead property, on the first day of November and December following, an additional penalty of four percent for each month shall accrue and be charged on all such unpaid taxes. If one-half of such taxes shall not be paid prior to May 16 or 21 days after the postmark date on the envelope containing the property tax statement, whichever is later, the same may be paid at any time prior to October 16, with accrued penalties to the date of payment added, and thereupon no penalty shall attach to the remaining one-half until October 16 following.

A county may provide by resolution that in the case of a property owner that has multiple tracts or parcels with aggregate taxes exceeding \$50, payments may be made in installments as provided in this subdivision.

The county treasurer may accept payments of more or less than the exact amount of a tax installment due. If the accepted payment is less than the amount due, payments must be applied first to the penalty accrued for the year the payment is made. Acceptance of partial payment of tax does not constitute a waiver of the minimum payment required as a condition for filing an appeal under section 278.03 or any other law, nor does it affect the order of payment of delinquent taxes under section 280.39.

Sec. 37. Minnesota Statutes 1988, section 282.09, subdivision 1, is amended to read:

Subdivision 1. [MONEYS PLACED IN FUND.] The county auditor and county treasurer shall place all moneys received through the operation of

sections 282.01 to 282.13 in a fund to be known as the forfeited tax sale fund and all disbursements and costs shall be charged against that fund, when allowed by the county board. Members of the county board may be paid a per diem pursuant to section 375.055, subdivision 1, and reimbursed for their necessary expenses, and may receive mileage as ~~now or hereafter~~ fixed by law. Compensation of a land commissioner and assistants, if a land commissioner is appointed, shall be in ~~such the~~ amount as shall be determined by the county board. The county auditor shall receive 50 cents for each certificate of sale, each contract for deed and each lease executed by the auditor, and, in counties where no land commissioner is appointed ~~such~~, additional annual compensation, not exceeding \$300, as shall be fixed by the county board. Compensation of any other clerical help that may be needed by the county auditor or land commissioner shall be in ~~such the~~ amount as shall be determined by the county board. All compensation provided for herein shall be in addition to other compensation allowed by law. Fees so charged in addition to the fee imposed in section 282.014 shall be included in the annual settlement by the county auditor as herein-after provided. On or before February 1 in each year, the commissioner of revenue shall certify to the commissioner of finance, by counties, the total number of state deeds issued and reissued during the preceding calendar year for which such fees are charged and the total amount thereof. When disbursements are made from the fund for repairs, refundments, expenses of actions to quiet title, or any other purpose which particularly affects specific parcels of forfeited lands, the amount of such disbursements shall be charged to the account of the taxing districts interested in such parcels. The county auditor shall make an annual settlement of the net proceeds received from sales and rentals by the operation of sections 282.01 to 282.13, at ~~on the regular March~~ settlement day determined in section 276.09, for the preceding calendar year.

Sec. 38. Minnesota Statutes 1989 Supplement, section 410.32, is amended to read:

410.32 [CITIES AUTHORIZED TO ISSUE CAPITAL NOTES FOR CERTAIN EQUIPMENT ACQUISITIONS.]

Notwithstanding any contrary provision of other law or charter, a home rule charter city may, by resolution and without public referendum, issue capital notes subject to the city debt limit to purchase public safety equipment, ambulance and other medical equipment, road construction and maintenance equipment, and other capital equipment having an expected useful life at least as long as the term of the notes. The notes shall be payable in not more than five years and be issued on terms and in the manner the city determines. The total principal amount of the capital notes issued in a fiscal year shall not exceed 0.03 percent of the market value of taxable property in the city for that year. A tax levy shall be made for the payment of the principal and interest on the notes, in accordance with section 475.61, as in the case of bonds. Notes issued under this section shall require an affirmative vote of two-thirds of the governing body of the city. ~~Unless prohibited by its~~ *Notwithstanding a contrary provision of other law or charter*, a home rule charter city may also issue capital notes subject to its debt limit in the manner and subject to the limitations applicable to statutory cities pursuant to section 412.301.

Sec. 39. Minnesota Statutes Second 1989 Supplement, section 469.171, subdivision 7a, is amended to read:

Subd. 7a. [PROPERTY TAX CREDIT; APPROPRIATION.] There is annually appropriated from the general fund to the commissioner of revenue the amounts required to reimburse taxing jurisdictions for the revenue lost due to the property tax credit provided in subdivision 1, clause (4). Payment shall be made to taxing jurisdictions in the same proportion that the ad valorem tax is distributed. Payment shall be made to taxing jurisdictions, other than school districts, at the ~~times~~ time provided in section ~~477A.015~~ 473H.10, subdivision 3.

Sec. 40. Minnesota Statutes 1989 Supplement, section 473.446, subdivision 1, is amended to read:

Subdivision 1. [TAXATION WITHIN TRANSIT TAXING DISTRICT.] For the purposes of sections 473.404 to 473.449 and the metropolitan transit system, except as otherwise provided in this subdivision, the regional transit board shall levy each year upon all taxable property within the metropolitan transit taxing district, defined in subdivision 2, a transit tax consisting of:

(a) an amount which shall be used for payment of the expenses of operating transit and paratransit service and to provide for payment of obligations issued by the commission under section 473.436, subdivision 6;

(b) an additional amount, if any, the board determines to be necessary to provide for the full and timely payment of its certificates of indebtedness and other obligations outstanding on July 1, 1985, to which property taxes under this section have been pledged; and

(c) an additional amount necessary to provide full and timely payment of certificates of indebtedness, bonds, including refunding bonds or other obligations issued or to be issued under section 473.39 by the council for purposes of acquisition and betterment of property and other improvements of a capital nature and to which the council or board has specifically pledged tax levies under this clause.

The property tax levied by the regional transit board for general purposes under clause (a) must not exceed the following amount for the years specified:

(1) for taxes payable in 1988, the product of two mills multiplied by the total assessed valuation of all taxable property located within the metropolitan transit taxing district as adjusted by the provisions of Minnesota Statutes 1986, sections 272.64; 273.13, subdivision 7a; and 275.49;

(2) for taxes payable in 1989, the product of (i) the regional transit board's property tax levy limitation for general purposes for the taxes payable year 1988 determined under clause (1) multiplied by (ii) an index for market valuation changes equal to the assessment year 1988 total market valuation of all taxable property located within the metropolitan transit taxing district divided by the assessment year 1987 total market valuation of all taxable property located within the metropolitan transit taxing district; and

(3) for taxes payable in 1990 and subsequent years, the product of (i) the regional transit board's property tax levy limitation for general purposes for the previous year determined under this subdivision multiplied by (ii) an index for market valuation changes equal to the total market valuation of all taxable property located within the metropolitan transit taxing district for the current assessment year divided by the total market valuation of all taxable property located within the metropolitan transit taxing district for the previous assessment year.

For the purpose of determining the regional transit board's property tax

levy limitation for general purposes for the taxes payable year 1988 and subsequent years under this subdivision, "total market valuation" means the total market valuation of all taxable property within the metropolitan transit taxing district without valuation adjustments for fiscal disparities (chapter 473F), tax increment financing (sections 469.174 to 469.179), and high voltage transmission lines (section 273.425).

The county auditor shall reduce the tax levied pursuant to this subdivision on all property within statutory and home rule charter cities and towns that receive full-peak service and limited off-peak service by an amount equal to the tax levy that would be produced by applying a rate of 0.01209 percent of market value on the property. The county auditor shall reduce the tax levied pursuant to this subdivision on all property within statutory and home rule charter cities and towns that receive limited peak service by an amount equal to the tax levy that would be produced by applying a rate of 0.01813 percent of market value on the property. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner shall review the certifications to determine their accuracy and may make changes in the certification as necessary or return a certification to the county auditor for corrections. The commissioner shall pay to the regional transit board the amounts certified by the county auditors on the ~~dates~~ *date* provided in section ~~273.4398~~ *473H.10, subdivision 3*. There is annually appropriated from the general fund in the state treasury to the department of revenue the amounts necessary to make these payments.

For the purposes of this subdivision, "full-peak and limited off-peak service" means peak period regular route service, plus weekday midday regular route service at intervals longer than 60 minutes on the route with the greatest frequency; and "limited peak period service" means peak period regular route service only.

Sec. 41. Minnesota Statutes Second 1989 Supplement, section 473H.10, subdivision 3, is amended to read:

Subd. 3. [COMPUTATION OF TAX; STATE REIMBURSEMENT.] (a) After having determined the market value of all land valued according to subdivision 2, the assessor shall compute the gross tax capacity of those properties by applying the appropriate classification percentages. When computing the rate of tax pursuant to section 275.08, the county auditor shall include the gross tax capacity of land as provided in this clause.

(b) The county auditor shall compute the tax on lands valued according to subdivision 2 and nonresidential buildings by multiplying the gross tax capacity times the total rate of tax for all purposes as provided in clause (a).

(c) The county auditor shall then compute the maximum ad valorem property tax on lands valued according to subdivision 2 and nonresidential buildings by multiplying the gross tax capacity times 105 percent of the previous year's statewide average tax capacity rate levied on property located within townships for all purposes.

(d) The tax due and payable by the owner of preserve land valued according to subdivision 2 and nonresidential buildings will be the amount determined in clause (b) or (c), whichever is less. If the gross tax in clause (c)

is less than the gross tax in clause (b), the state shall reimburse the taxing jurisdictions for the amount of difference. Residential buildings shall continue to be valued and classified according to the provisions of sections 273.11 and 273.13, as they would be in the absence of this section, and the tax on those buildings shall not be subject to the limitation contained in this clause.

The county may transfer money from the county conservation account created in section 40A.152 to the county revenue fund to reimburse the fund for the tax lost as a result of this subdivision or to pay taxing jurisdictions within the county for the tax lost. The county auditor shall certify to the commissioner of revenue on or before June 1 the total amount of tax lost to the county and taxing jurisdictions located within the county as a result of this subdivision and the extent that the tax lost exceeds funds available in the county conservation account. ~~Payments~~ *Payment* shall be made by the state ~~at the times provided in section 477A.015~~ *on December 15* to each of the affected taxing jurisdictions, other than school districts, in the same proportion that the ad valorem tax is distributed if the county conservation account is insufficient to make the reimbursement. There is annually appropriated from the Minnesota conservation fund under section 40A.151 to the commissioner of revenue an amount sufficient to make the reimbursement provided in this subdivision. If the amount available in the Minnesota conservation fund is insufficient, the balance that is needed is appropriated from the general fund.

Sec. 42. Minnesota Statutes Second 1989 Supplement, section 477A.013, subdivision 6, is amended to read:

Subd. 6. [AID ADJUSTMENT.] For calendar year 1990, there shall be an amount equal to 3.4 percent of the town's or city's adjusted net tax capacity computed using the net class rates for taxes payable in 1990 and equalized market values as defined in section 273.1398, subtracted from the aid amounts computed under subdivision 1, in the case of towns, and under subdivisions 3 and 5 in the case of cities. For cities, the subtraction will be made first from the aid computed under subdivision 3. If the subtraction amount under this section is greater than the aid amount computed under subdivision 3, the remaining amount will be subtracted from the aid computed under subdivision 5. The resulting amounts shall be the town's local government aid or the city's local government aid and equalization aid for calendar year 1990. The local government aid and equalization aid amount for any city or town cannot be less than zero. If the subtraction amount under this section is greater than the amount for any town or city computed under subdivisions 1, 3, and 5, the remaining amount shall be subtracted from the town's or city's homestead and agricultural credit aid under section 273.1398, subdivision 2.

For purposes of this subdivision, "adjusted net tax capacity" means the city's total net tax capacity using the net class rates for taxes payable in 1990 and equalized market values as defined in section 273.1398, as adjusted for the contributions and distributions required by chapter 473F in the case of a city or town located within the metropolitan area and less the captured value in any tax increment district.

An increase in a city's property tax levy for taxes payable in 1990 attributable to the amount deducted from the city's aids under this subdivision is exempt from the city's per capita levy limit under section 275.11 and, from the city's percentage of market value levy limit under section 412.251

or 426.04, and from any limitation on levies under a city charter.

Sec. 43. Laws 1959, chapter 462, section 3, subdivision 10, as re-numbered, as amended by Laws 1963, chapter 645, section 3, Laws 1967, chapter 661, section 3, Laws 1969, chapter 994, section 1, Laws 1975, chapter 320, section 1, Laws 1980, chapter 525, section 2, and Laws 1989, chapter 329, article 5, section 17, is amended to read:

Subd. 10. [SPECIAL SCHOOL DISTRICT NO. 1; MINNEAPOLIS, CITY OF; EXTENDING BONDING AUTHORITY.] As used in this act the word "project" shall mean any proposed new or enlarged school building site, any proposed new school building or any proposed new addition to a school building, and "undertaking" shall mean any other purpose for which bonds may be issued as authorized in this subdivision. Subject to the limitations of subdivision 11, the special independent school district of Minneapolis may issue and sell bonds with the approval of 53 percent of the electors voting on the question at a general school district election or at a school district election held at the same time and place within the district as a state general or primary election, as determined by the board of education. Subject to the provisions of subdivision 11, the school district may also by a two-thirds majority vote of all the members of its board of education and without any election by the voters of the district, issue and sell in each calendar year bonds of the district in an amount not to exceed one-half of one percent of the assessed value of the taxable property in the district (plus, for calendar ~~year 1990~~ ^{years 1990 to 1996}, an amount not to exceed \$7,500,000; with an additional provision that any amount of bonds so authorized for sale in a specific year and not sold can be carried forward and sold in the year immediately following); provided, however, that the board shall submit the list of projects and undertakings to be financed by a proposed issue to the city planning commission as provided in subdivision 11(c). All bonds of the school district shall be payable in not more than 30 years. The proceeds of the sale of the bonds shall be used only for the rehabilitating, remodeling, expanding and equipping of existing school buildings and for the acquisition of sites, construction and equipping of new school buildings, and for acquisition and betterment purposes, and no part of the proceeds shall be used for maintenance. The provisions of this act shall apply to the issuance and sale of the bonds and to the purposes for which the bonds may be issued notwithstanding any provisions to the contrary in any other existing law relating thereto.

Sec. 44. Laws 1989, First Special Session chapter 1, article 5, section 52, is amended to read:

Sec. 52. [EFFECTIVE DATE.]

Except as otherwise provided, sections 12 to 19, 27, 35, 45, and 47 are effective for taxes levied in 1989, payable in 1990 and subsequent years. Section 49 is effective upon approval by the Itasca county board for taxes levied in 1988, payable in 1989 only. Sections 1, 5, 6, 20, 31, 34, 41, 44, and 51 are effective for taxes levied by cities and towns in 1991, payable in 1992 and thereafter, and for taxes levied by counties in 1992, payable in 1993 and thereafter. Sections 2, 4, 7, 9 to 11, 21 to 26, 28 to 30, 32, 33, 36 to 40, 42, and 43 are effective for taxes levied in ~~1991~~ 1992, payable in ~~1992~~ 1993 and thereafter. Sections 3 and 8 are effective for taxes levied in 1992, payable in 1993 and thereafter. Section 50 is effective for taxes payable in 1989 and 1990 only.

Sec. 45. [STEARNS COUNTY; SPECIAL LEVY.]

For taxes levied in 1990, payable in 1991 only, Stearns county may levy a tax in an amount not to exceed \$208,000 to cover the cost of the investigation of criminal activity connected with a kidnapping. The levy under this section is not subject to the limitations of Minnesota Statutes, sections 275.50 to 275.56.

Sec. 46. [WASHINGTON COUNTY; PARCEL NOTICE OF PROPOSED TAXES.]

Subdivision 1. [AUTHORIZATION.] Notwithstanding Minnesota Statutes, section 275.065, subdivision 3, paragraph (d), the proposed property tax notice requirements of Minnesota Statutes, section 275.065, subdivision 3, paragraph (e), apply to Washington county, to any taxing authority lying wholly within Washington county, and to any taxing jurisdiction lying wholly within Washington county and a county containing a city of the first class.

Subd. 2. [EFFECTIVE DATE.] Under Minnesota Statutes, section 645.023, subdivision 1, paragraph (b), this section extends the applicability of a general statutory provision and is effective without local approval for taxes levied in 1992 and thereafter.

Sec. 47. [ST. PAUL BONDING AUTHORIZATION; TAX LEVY FOR DEBT SERVICE.]

Subdivision 1. [BONDING AUTHORIZATION.] To provide funds to acquire or better facilities, independent school district No. 625 may by two-thirds majority vote of all the members of the board of directors issue general obligation bonds in one or more series in calendar years 1990 and 1991 as provided in this section. The aggregate principal amount of any bonds issued under this section for each calendar year may not exceed one-ninth of one percent of the market value of the taxable property in the district, as computed in accordance with Minnesota Statutes, section 475.51, subdivision 4. Issuance of the bonds is not subject to Minnesota Statutes, section 475.58 or 475.59. As with other bonds issued by independent school district No. 625, the first sentence of Minnesota Statutes, section 475.53, subdivision 5, does not apply to issuance of the bonds. The bonds must otherwise be issued as provided in Minnesota Statutes, chapter 475. The authority to issue bonds under this section is in addition to any bonding authority authorized by Minnesota Statutes, chapter 124, or other law. The amount of bonding authority authorized under this section must be disregarded in calculating the bonding limit of chapter 124 or any other law other than Minnesota Statutes, section 475.53, subdivision 4.

Subd. 2. [TAX LEVY FOR DEBT SERVICE.] To pay the principal of and interest on bonds issued under subdivision 1, independent school district No. 625 must levy a tax annually in an amount sufficient under Minnesota Statutes, section 475.61, subdivisions 1 and 3, to pay the principal of and interest on the bonds. The tax authorized under this section is in addition to the taxes authorized to be levied under Minnesota Statutes, chapter 124A or 275, or other law.

Subd. 3. [EFFECTIVE DATE; LOCAL APPROVAL.] Subdivisions 1 and 2 are effective the day after the governing body of independent school district No. 625 complies with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 48. [DULUTH BONDING AUTHORIZATION; TAX LEVY FOR DEBT SERVICE.]

Subdivision 1. [BONDING AUTHORIZATION.] To provide funds for the acquisition and betterment, as defined in Minnesota Statutes, section 475.51, subdivisions 7 and 8, of existing and new facilities, independent school district No. 709 may, by two-thirds majority vote of all the members of the school board, issue general obligation bonds in one or more series in calendar years 1990, 1991, 1992, and 1993 as provided in this section. The aggregate principal amount of any bonds issued under this section for calendar years 1990 through 1993 may not exceed one-third of one percent of the market value of the taxable property in the district, as computed in accordance with Minnesota Statutes, section 475.53, subdivision 4. Issuance of the bonds is not subject to Minnesota Statutes, section 475.58 or 475.59. As with other bonds issued by independent school district No. 709, Minnesota Statutes, section 475.53, subdivision 5, does not apply to issuance of the bonds. If the school board proposes to issue bonds under this section, it must publish a resolution describing the proposed bond issue once each week for two successive weeks in a legal newspaper published in the city of Duluth. The bonds may be issued without the submission of the question of their issue to the electors unless within 30 days after the second publication of the resolution a petition requesting an election signed by a number of people residing in the city equal to 15 percent of the people who voted in the last general election in the city is filed with the recording officer. If such a petition is filed, no bonds shall be issued under this section unless authorized by a majority of the electors voting on the question at the next general or special election called to decide the issue. The bonds must otherwise be issued as provided in Minnesota Statutes, chapter 475. The authority to issue bonds under this section is in addition to any bonding authority authorized by Minnesota Statutes, chapter 124, or other law. The amount of bonding authority authorized under this section must be disregarded in calculating the bonding limit of chapter 124 or any other law other than Minnesota Statutes, section 475.53, subdivision 4, as made applicable to independent school district No. 709 by Laws 1973, chapter 266.

Subd. 2. [TAX LEVY FOR DEBT SERVICE.] To pay the principal of and interest on bonds issued under subdivision 1, independent school district No. 709 shall levy a tax in an amount sufficient under Minnesota Statutes, section 475.61, subdivisions 1 and 3, to pay the principal of and interest on the bonds. The tax authorized under this section is in addition to the taxes authorized to be levied under Minnesota Statutes, chapter 124A or 275, or other law.

Subd. 3. [EFFECTIVE DATE; LOCAL APPROVAL.] Subdivisions 1 and 2 are effective the day after the governing body of independent school district No. 709 complies with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 49. [FUND BALANCE CORRECTION.]

Independent school district No. 624, White Bear Lake, is eligible for reinstatement of the foundation levy lost through the fund balance reduction provisions of the foundation formula for the 1985-1986, 1986-1987, and 1987-1988 school years if the fund balance reduction was the result of either referendum revenues added to the net unappropriated general fund balance or a transfer of funds from the capital expenditure account to the general fund. The district may make a special levy in an amount not to exceed the amount of the levy reduction caused by the tier two foundation levy reductions for the 1985-1986, 1986-1987, and 1987-1988 school years,

but not to exceed \$1,289,418. The district may levy part of the amount:

- (1) in 1990 and the remainder in 1991; or
- (2) in 1990 and 1991 and the remainder in 1992.

The district may not receive foundation aid, general education aid, or any other aid as a result of levying under this section.

Sec. 50. [EFFECTIVE DATE.]

Sections 1, 38, 43, 47, and 48 are effective the day following final enactment. Sections 2, 3, and 5 to 10 are effective for revenue for fiscal year 1992 and thereafter. Section 11 is effective August 1, 1990. Sections 14, 15, 22, 30 to 37, and 39 to 41 are effective for taxes levied in 1989, payable in 1990, and thereafter. The remainder of this article is effective for taxes levied in 1990, payable in 1991, and thereafter.

ARTICLE 3

PROPERTY TAX AIDS AND CREDITS

Section 1. Minnesota Statutes Second 1989 Supplement, section 256.025, subdivision 4, is amended to read:

Subd. 4. [PAYMENT SCHEDULE.] Beginning July 1, 1991, the state will reimburse counties, according to the following payment schedule, for the county share of local agency expenditures for the programs specified in subdivision 2.

(a) Beginning July 1, 1991, the state will reimburse or pay the county share of local agency expenditures according to the reporting cycle as established by the commissioner, for the programs identified in subdivision 2. Payments for the period of January 1, ~~1991~~, through July 31, ~~1991~~, for calendar years 1991, 1992, and 1993 shall be made ~~subsequent to~~ on or before July ~~1~~, ~~1991~~ 10 in each of those years. Payments for the period August ~~1991~~ through December ~~1991~~ for calendar years 1991, 1992, and 1993 shall be made ~~subsequent to~~ on or before the first third of each month thereafter through December 31, ~~1991~~ in each of those years.

(b) Payment for 1/24 of the base amount and the January ~~1992~~ 1994 county share of local agency expenditures growth amount for the programs identified in subdivision 2 shall be made ~~during~~ on or before January ~~1992~~ 3, 1994. For the period of February 1, ~~1992~~ 1994, through July 31, ~~1992~~ 1994, payment of the base amount shall be made ~~subsequent to~~ on or before July ~~1~~, ~~1992~~ 10, 1994, and payment of the growth amount over the base amount shall be made ~~monthly~~ on or before the third of each month. Payments for the period August ~~1992~~ 1994 through December ~~1992~~ 1994 shall be made ~~subsequent to~~ on or before the first third of each month thereafter through December 31, ~~1992~~ 1994.

(c) Payment for the county share of local agency expenditures during January ~~1993~~ 1995 shall be made ~~during~~ on or before January ~~1993~~ 3, 1995. Payment for 1/24 of the base amount and the February ~~1993~~ 1995 county share of local agency expenditures growth amount for the programs identified in subdivision 2 shall be made ~~during~~ on or before February ~~1993~~ 3, 1995. For the period of March 1, ~~1993~~ 1995, through July 31, ~~1993~~ 1995, payment of the base amount shall be made ~~subsequent to~~ on or before July ~~1~~, ~~1993~~ 10, 1995, and payment of the growth amount over the base amount shall be made ~~monthly~~ on or before the third of each

month. Payments for the period August ~~1993~~ 1995 through December ~~1993~~ 1995 shall be made ~~subsequent to on or before~~ the ~~first~~ third of each month thereafter through December 31, ~~1993~~ 1995.

(d) Monthly payments for the county share of local agency expenditures from January ~~1994~~ 1996 through February ~~1994~~ 1996 shall be made ~~subsequent to on or before~~ the ~~first~~ third of each month through February ~~1994~~ 1996. Payment for 1/24 of the base amount and the March ~~1994~~ 1996 county share of local agency expenditures growth amount for the programs identified in subdivision 2 shall be made ~~during on or before~~ March ~~1994~~ 1996. For the period of April 1, ~~1994~~ 1996, through July 31, ~~1994~~ 1996, payment of the base amount shall be made ~~subsequent to on or before~~ July ~~1, 1994~~ 10, 1996, and payment of the growth amount over the base amount shall be made ~~monthly on or before the third of each month~~. Payments for the period August ~~1994~~ 1996 through December ~~1994~~ 1996 shall be made ~~subsequent to on or before~~ the ~~first~~ third of each month thereafter through December 31, ~~1994~~ 1996.

(e) Monthly payments for the county share of local agency expenditures from January ~~1995~~ 1997 through March ~~1995~~ 1997 shall be made ~~subsequent to on or before~~ the ~~first~~ third of each month through March ~~1995~~ 1997. Payment for 1/24 of the base amount and the April ~~1995~~ 1997 county share of local agency expenditures growth amount for the programs identified in subdivision 2 shall be made ~~during on or before~~ April ~~1995~~ 3, 1997. For the period of May 1, ~~1995~~ 1997, through July 31, ~~1995~~ 1997, payment of the base amount shall be made ~~subsequent to on or before~~ July ~~1, 1995~~ 10, 1997, and payment of the growth amount over the base amount shall be made ~~monthly on or before the third of each month~~. Payments for the period August ~~1995~~ 1997 through December ~~1995~~ 1997 shall be made ~~subsequent to on or before~~ the ~~first~~ third of each month thereafter through December 31, ~~1995~~ 1997.

(f) Monthly payments for the county share of local agency expenditures from January ~~1996~~ 1998 through April ~~1996~~ 1998 shall be made ~~subsequent to on or before~~ the ~~first~~ third of each month through April ~~1996~~ 1998. Payment for 1/24 of the base amount and the May ~~1996~~ 1998 county share of local agency expenditures growth amount for the programs identified in subdivision 2 shall be made ~~during on or before~~ May ~~1996~~ 3, 1998. For the period of June 1, ~~1996~~ 1998, through July 31, ~~1996~~ 1998, payment of the base amount shall be made ~~subsequent to on or before~~ July ~~1, 1996~~ 10, 1998, and payment of the growth amount over the base amount shall be made ~~monthly on or before the third of each month~~. Payments for the period August ~~1996~~ 1998 through December ~~1996~~ 1998 shall be made ~~subsequent to on or before~~ the ~~first~~ third of each month thereafter through December 31, ~~1996~~ 1998.

(g) Monthly payments for the county share of local agency expenditures from January ~~1997~~ 1999 through May ~~1997~~ 1999 shall be made ~~subsequent to on or before~~ the ~~first~~ third of each month through May ~~1997~~ 1999. Payment for 1/24 of the base amount and the June ~~1997~~ 1999 county share of local agency expenditures growth amount for the programs identified in subdivision 2 shall be made ~~during on or before~~ June ~~1997~~ 3, 1999. For the period of June 1, ~~1997~~ 1999, through July 31, ~~1997~~ 1999, payment shall be made ~~subsequent to on or before~~ July ~~1, 1997~~ 10, 1999. Payments for the period August ~~1997~~ 1999 through December ~~1997~~ 1999 shall be made ~~subsequent to on or before~~ the ~~first~~ third of each month thereafter through December 31, ~~1997~~ 1999.

(h) Effective January 1, ~~1998~~ 2000, monthly payments for the county share of local agency expenditures shall be made subsequent to the first of each month.

Payments under this subdivision are subject to the provisions of section 256.017.

Sec. 2. Minnesota Statutes Second 1989 Supplement, section 273.1398, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) In this section, the terms defined in this subdivision have the meanings given them.

(b) "Unique taxing jurisdiction" means the geographic area subject to the same set of tax capacity rates.

(c) "Gross tax capacity" means the product of the gross class rates and estimated market values. "Total gross tax capacity" means the gross tax capacities for all property within the unique taxing jurisdiction. The total gross tax capacity used shall be reduced by the sum of (1) the unique taxing jurisdiction's gross tax capacity of commercial industrial property as defined in section 473F02, subdivision 3, multiplied by the ratio determined pursuant to section 473F08, subdivision 6, for the municipality, as defined in section 473F02, subdivision 8, in which the unique taxing jurisdiction is located, (2) the gross tax capacity of the captured value of tax increment financing districts as defined in section 469.177, subdivision 2, and (3) the gross tax capacity of transmission lines deducted from a local government's total gross tax capacity under section 273.425. Gross tax capacity cannot be less than zero.

(d) "Net tax capacity" means the product of the appropriate net class rates for the year in which the aid is payable, except that for class 3 utility real and personal property the class rate applied shall be 5.38 percent, and estimated market values for the assessment two years prior to that in which aid is payable. "Total net tax capacity" means the net tax capacities for all property within the unique taxing jurisdiction. The total net tax capacity used shall be reduced by the sum of (1) the unique taxing jurisdiction's net tax capacity of commercial industrial property as defined in section 473F02, subdivision 3, multiplied by the ratio determined pursuant to section 473F08, subdivision 6, for the municipality, as defined in section 473F02, subdivision 8, in which the unique taxing jurisdiction is located, (2) the net tax capacity of the captured value of tax increment financing districts as defined in section 469.177, subdivision 2, and (3) the net tax capacity of transmission lines deducted from a local government's total net tax capacity under section 273.425. For purposes of determining the net tax capacity of property referred to in clauses (1) and (2), the net tax capacity shall be multiplied by the ratio of the highest class rate for class 3a property for taxes payable in the year in which the aid is payable to the highest class rate for class 3a property in the prior year. Net tax capacity cannot be less than zero.

(e) "Equalized market values" are market values that have been equalized by dividing the assessor's estimated market value for the second year prior to that in which the aid is payable by the assessment sales ratios determined by class in the assessment sales ratio study conducted by the department of revenue pursuant to section 124.2131 in the second year prior to that in which the aid is payable. The equalized market values shall equal the unequalized market values divided by the assessment sales ratio.

(f) "Local tax rate" means the quotient derived by dividing the gross taxes levied within a unique taxing jurisdiction for taxes payable in 1989 by the gross tax capacity of the unique taxing jurisdiction for taxes payable in 1989. For computation of the local tax rate for aid payable in 1991 and subsequent years, gross taxes for taxes payable in 1989 exclude equalized levies as defined in subdivision 2a. For purposes of computation of the local tax rate only, gross taxes shall not be adjusted by inflation or household growth.

(g) For purposes of calculating the homestead and agricultural credit aid authorized pursuant to subdivision 2, the "subtraction factor" is the product of (i) a unique taxing jurisdiction's local tax rate; (ii) its total net tax capacity; and (iii) 0.9767.

(h) For purposes of calculating and allocating homestead and agricultural credit aid authorized pursuant to subdivision 2 and the disparity reduction aid authorized in subdivision 3, "gross taxes levied on all properties" or "gross taxes" means the total gross taxes levied on all properties except that levied on the captured value of tax increment districts as defined in section 469.177, subdivision 2, and that levied on the portion of commercial industrial properties' assessed value or gross tax capacity, as defined in section 473F02, subdivision 3, subject to the areawide tax as provided in section 473F08, subdivision 6, in a unique taxing jurisdiction before reduction by any credits for taxes payable in 1989. Gross taxes are before any reduction for disparity reduction aid. Gross taxes levied cannot be less than zero.

For homestead and agricultural credit aid payable in 1991 and subsequent years, "gross taxes" or "gross taxes levied on all properties" shall mean gross taxes payable in 1989, excluding taxes defined as "equalized levies" in subdivision 2a, multiplied by the cost-of-living adjustment factor and the household adjustment factor.

(i) "Human services aids" means:

(1) aid to families with dependent children under sections 256.82, subdivision 1, and 256.935, subdivision 1;

(2) medical assistance under sections 256B.041, subdivision 5, and 256B.19, subdivision 1;

(3) general assistance medical care under section 256D.03, subdivision 6;

(4) general assistance under section 256D.03, subdivision 2;

(5) work readiness under section 256D.03, subdivision 2;

(6) emergency assistance under section 256.871, subdivision 6;

(7) Minnesota supplemental aid under section 256D.36, subdivision 1;

(8) preadmission screening and alternative care grants under section 256B.091;

(9) work readiness services under section 256D.051;

(10) case management services under section 256.736, subdivision 13;

(11) general assistance claims processing, medical transportation and related costs; and

(12) medical assistance, medical transportation and related costs.

(j) "Adjustment factor" means one plus the percentage change in (1) the ratio of estimated market value of residential homesteads to the estimated market value of all taxable property within the city or township containing the unique taxing jurisdiction based on the assessment one year prior to the year in which the aid is payable when compared to the same ratio based on the assessment two years prior to the year in which the aid is payable. If the market value of farm homesteads exceeds the market value of residential homesteads in the city or township containing the unique taxing jurisdiction, "adjusted factor" means one plus the percentage change in the ratio of the estimated market value of farm homesteads to the estimated market value of all taxable property within the city or township containing the unique taxing jurisdiction based on the assessment one year prior to the year in which the aid is payable when compared to the same ratio based on the assessment two years prior to the year in which the aid is payable. The adjustment factor cannot be less than one. Estimates of market value for the assessment one year prior to the year in which the aid is paid will be made on the basis of the abstract submitted pursuant to section 270.11. Discrepancies between the estimate and actual market values will not result in increased or decreased aid in the year in which the estimates are used to compute aid.

(k) "Cost-of-living adjustment factor" means *the greater of one or one plus the percentage increase in the consumer price index minus 1.15 percent.*

~~(l)~~ (l) *The "percentage increase in the consumer price index" means the percentage, if any, by which: the consumer price index for the calendar year preceding that in which aid is payable, exceeds* ~~(2)~~ *the consumer price index for calendar year 1989.*

~~(m)~~ (m) "Consumer price index for any calendar year" means the average of the consumer price index as of the close of the 12-month period ending on May 31 of such calendar year.

~~(n)~~ (n) "Consumer price index" means the last consumer price index for all-urban consumers published by the department of labor. For purposes of the preceding sentence, the revision of the consumer price index which is most consistent with the consumer price index for calendar year 1989 shall be used.

~~(o)~~ (o) "Household adjustment factor" means the number of households for the most recent year preceding that in which the aids are payable divided by the 1988 number of households. The household adjustment factor cannot be less than one.

Sec. 3. Minnesota Statutes Second 1989 Supplement, section 273.1398, subdivision 2, is amended to read:

Subd. 2. [HOMESTEAD AND AGRICULTURAL CREDIT AID.] (a) ~~Initial~~ Homestead and agricultural credit aid for each unique taxing jurisdiction equals the total gross taxes levied on all properties, minus the unique taxing jurisdiction's subtraction factor. The commissioner of revenue may, in computing the amount of the homestead and agricultural credit aid paid in 1990, adjust the gross tax capacity, net tax capacity, and gross taxes of a taxing jurisdiction for taxes payable in 1989 to reflect auditor's errors in computing taxes payable for 1989 in unique taxing jurisdictions within independent school district Nos. 720 and 792. Homestead and agricultural credit aid cannot be less than zero.

(b)(1) The homestead and agricultural credit aid is allocated to each local

government levying taxes in the unique taxing jurisdiction in the proportion that the local government's gross taxes bears to the total gross taxes levied within the unique taxing jurisdiction.

(2) The 1990 homestead and agricultural credit aid so determined for school districts for purposes of general education levies pursuant to section 124A.23, subdivisions 2 and 2a, and transportation levies pursuant to section 275.125, subdivisions 5 and 5c, shall be multiplied by the ratio of the adjusted gross tax capacity based upon the 1988 adjusted gross tax capacity to the estimated 1987 adjusted gross tax capacity based upon the 1987 adjusted assessed value.

(3) If a local government's total tax capacity rate for all funds for taxes payable in 1989 varies within the area in which it exercises taxing authority, the local government's allocated homestead and agricultural credit aid must be further allocated between the part of its levy in respect to which the tax capacity rate is constant throughout the area in which it exercises taxing authority and the part of its levy in respect to which the tax capacity rate varies throughout the area in which it exercises taxing authority.

(c) The calendar year 1990 homestead and agricultural credit aid shall be adjusted by the adjustment factor.

(d) Payments under this subdivision to counties in 1990 and subsequent years shall be reduced by the amount provided in section 477A.012, subdivisions 3, paragraph (d), and 4, paragraph (d).

(e) Payments under this subdivision to cities and towns shall be annually reduced by the amount of the homestead and agricultural credit aid adjustment, if any, determined for 1990 under section 477A.013, subdivision 6.

Sec. 4. Minnesota Statutes 1988, section 273.1398, is amended by adding a subdivision to read:

Subd. 2c. [STATE AID REDUCTION.] (a) It is the intent of the legislature that the reduction in the state aids made under this subdivision be implemented as an equivalent and corresponding permanent reduction in the cost of administration and operations at the local level.

(b) For aids payable in 1990 and subsequent years, the commissioner of revenue shall reduce state aids payable to cities, counties, towns, and special taxing districts by an amount equal to \$43,000,000. The aid reduction shall be calculated as an equal percentage reduction in each local government's revenue base. "Revenue base," as used in this subdivision, means the amount levied for taxes payable in 1990 less the special levies under section 275.50, subdivision 5, clause (u), and, before reduction for the homestead and agricultural credit aid under subdivision 2, equalization aid under section 477A.013, subdivision 5, and disparity reduction aid under subdivision 3; plus the originally certified 1990 local government aid under sections 477A.012, determined without regard to subdivision 2; and 477A.013, subdivisions 1, 3, and 6; and the estimated taconite aids used to determine levy limits for taxes payable in 1990 under section 275.51, subdivision 3i.

(c) The reduction in aid shall be first applied to the local government aids payable under sections 477A.012, subdivisions 1 and 3, and 477A.013, subdivisions 1, 3, and that the local government would have received absent this section. In the event that aid is insufficient to obtain the required reduction, the commissioner shall apply the reduction to the following aids

available to the local government, in the order listed:

- (1) equalization aid under section 477A.013, subdivision 5;
- (2) disparity reduction aid under subdivision 3; and
- (3) homestead and agricultural credit aid under this section.

(d) "Special taxing districts" means any local government other than a city, township, county, or school district.

(e) The total reduction for each city, town, or county must be subtracted from the levy year 1990 levy limit base, as provided in section 275.51, subdivision 3f, paragraph (d).

Sec. 5. Minnesota Statutes Second 1989 Supplement, section 273.1398, subdivision 5a, is amended to read:

Subd. 5a. [AID ADJUSTMENT FOR COUNTY HUMAN SERVICES AID.] (a) There shall be transferred to the human services aid account from the payment to a county under subdivision 2 an amount representing a county's human services aid ~~increase~~ as calculated in subdivision 5b, paragraphs (a) to (c). The amount calculated for each county shall be deducted from the first payment to the county under this section in 1991 and subsequent years. If the deduction exceeds the amount of the first payment, the balance shall be subtracted from the second payment. The amount of the payments under subdivision 2 shall not be less than zero as a result of this adjustment.

Sec. 6. Minnesota Statutes Second 1989 Supplement, section 273.1398, subdivision 5b, is amended to read:

Subd. 5b. [STATE AID FOR COUNTY HUMAN SERVICES COSTS.] (a) Human services aid ~~increase~~ for each county equals an amount representing the county's costs for human services programs cited in subdivision 1, paragraph (i). The amount of the aid ~~increase~~ is calculated as provided in this section. The aid ~~increase~~ shall be deposited in the human services account created pursuant to section 273.1392.

(b) On July 15, 1990, each county shall certify to the department of revenue the estimated difference between the county's base amount costs as defined in section 256.025 for human services programs cited in subdivision 1, paragraph (i), for calendar year 1990 and human services program revenues from all nonproperty tax sources excluding revenue from state and federal payments for the programs listed in subdivision 1, paragraph (i), and revenue from incentive programs pursuant to sections 256.019, 256.98, subdivision 7, 256D.06, subdivision 5, 256D.15, and 256D.54, subdivision 3, used at the time the levy was certified in 1989. At that time each county may revise its estimate for taxes payable in 1990 for purposes of this subdivision. The human services program estimates provided pursuant to this clause shall only include those costs and related revenues up to the extent the county provides benefits within statutory mandated standards. This amount shall be the county's human services aid amount under this section.

(c) On July 15, 1991, each county shall certify to the department of revenue the actual difference between the county's human services program costs and nonproperty tax revenues as provided in paragraph (b) for calendar year 1990. If the actual difference is larger than the estimated difference as calculated in paragraph (b), the aid amount for the county shall be

increased by that amount. If the actual difference is smaller than the estimated difference as calculated in paragraph (b), the aid amount to the county shall be reduced by that amount.

(d) On January 1, 1991, the department of finance shall certify to the department of revenue the estimated amount of county receipts deducted from county human services expenditures pursuant to Minnesota Statutes 1988, section 287.12, in calendar year 1990. This amount shall be added to the human services aid ~~increase~~ amount under this section.

Sec. 7. Minnesota Statutes 1989 Supplement, section 275.08, subdivision 1d, is amended to read:

Subd. 1d. If, after computing each local government's adjusted tax capacity rate within a unique taxing jurisdiction pursuant to subdivision 1c, the auditor finds that the total adjusted tax capacity rate of all local governments combined is less than 90 percent of gross tax capacity for taxes payable in 1989 and 1990 and ~~90~~ 100 percent of net tax capacity for taxes payable in ~~1990~~ 1991 and thereafter, the auditor shall increase each local government's adjusted tax capacity rate proportionately so the total adjusted tax capacity rate of all local governments combined equals 90 percent *for taxes payable in 1989 and 1990 and 100 percent for taxes payable in 1991 and thereafter*. The total amount of the increase in tax resulting from the increased tax capacity rates must not exceed the amount of disparity aid allocated to the unique taxing district under section 273.1398. The auditor shall certify to the department of revenue the difference between the disparity aid originally allocated under section 273.1398, subdivision 3, and the amount necessary to reduce the total adjusted tax capacity rate of all local governments combined to 90 percent *for taxes payable in 1989 and 1990 and 100 percent for taxes payable in 1991 and thereafter*. Each local government's disparity reduction aid payment under section 273.1398, subdivision 6, must be reduced accordingly.

Sec. 8. Minnesota Statutes Second 1989 Supplement, section 275.51, subdivision 3f, is amended to read:

Subd. 3f. [LEVY LIMIT BASE.] (a) The property tax levy limit base for governmental subdivisions for taxes levied in 1988 shall be equal to the total actual levy for taxes payable in 1988 with additions and subtractions as specified in paragraphs (b) and (c).

(b) The amounts to be added to the actual 1988 levy are (1) the amount of local government aid the governmental subdivision was certified to receive in 1988 under sections 477A.011 to 477A.014, (2) its 1988 taconite aids under sections 298.28 and 298.282, and (3) its 1988 wetlands and native prairie reimbursements under Minnesota Statutes 1986, sections 273.115, subdivision 3, and 273.116, subdivision 3.

(c) The amounts to be subtracted from the actual 1988 levy are (1) any special levies claimed for taxes payable in 1988 pursuant to Laws 1987, chapter 268, article 5, section 12, subdivision 4, clauses (1), (2), (3), and (4); and (2) for a governmental subdivision participating in a regional library system receiving grants from the department of education under section 134.34, the amount levied for taxes payable in 1988 for the operating costs of a public library service.

(d) For taxes levied in 1989 and subsequent years, a governmental subdivision's levy limit base is equal to its adjusted levy limit base for the preceding year, provided that for taxes levied in 1989, the amount of the

administrative reimbursement aid received in 1988 shall be added to the base, and that for taxes levied in 1990, the levy limit base shall be reduced as provided in sections 273.1398, subdivision 2c, 477A.012, subdivision 4, and 477A.013, subdivision 7.

(e) For taxes levied by a county in 1989, the levy limit base determined under paragraph (d) shall be reduced by an amount equal to 90 percent of the cost of public defender services for felonies and gross misdemeanors and the costs of law clerks in the county that are assumed by the state during calendar year 1990, less 103 percent of one-half the amount of fees collected by the courts in the county during calendar year 1988. For taxes levied in 1990, the levy limit base determined under paragraph (d) shall be reduced by an amount equal to the cost of public defender services for felonies and gross misdemeanors and the cost of law clerks in the county that are assumed by the state during calendar year 1991, less the amount of fees collected by the courts in the county during calendar year 1989, computed at the rate of \$30 for civil and probate filings and \$20 for marriage dissolutions.

(f) For taxes levied in 1989 only, by a county that is located in the eighth judicial district, the levy limit base determined under paragraphs (d) and (e) shall be further reduced by an amount equal to 90 percent of the cost of operation of the trial courts in the county during calendar year 1990 that are assumed by the state and for which an appropriation is provided, less 103 percent of the sum of (1) the remaining one-half of the amount of fees and (2) 100 percent of the amount of fines collected by the courts in the county during calendar year 1988. For taxes levied in 1990 only by those counties, the levy limit base determined under paragraphs (d) and (e) shall be further reduced by an amount equal to the cost of operation of the trial courts in the county during the first six months of calendar year 1991 that are assumed by the state less 50 percent of the amount of fines collected by the courts during calendar year 1989.

(g) By October 15, 1989, the board of public defense shall determine and certify to the commissioner of revenue the pro rata share for each county of the state-financed public defense services described in paragraph (e) during the six-month period beginning July 1, 1990. By October 15, 1989, the supreme court shall determine and certify to the department of revenue for each county the pro rata share for each county of the cost of providing law clerks during the three-month period beginning October 1, 1990, plus, for each county located in the eighth judicial district, the cost of operation of the trial courts during calendar year 1990.

By July 15, 1990, the board of public defense shall determine and certify to the department of revenue the pro rata share for each county of the state-financed public defense services described in paragraph (e) during calendar year 1991. By July 15, 1990, the supreme court shall determine and certify to the department of revenue for each county the pro rata share for each county of the cost of providing law clerks during calendar year 1991 plus, for each county located in the eighth judicial district, the cost of operation of the trial courts during the first six months of 1991.

(h) For taxes levied in a county in 1991, the levy limit base shall be reduced by an amount equal to the cost in the county of court reporters, judicial officers, and district court referees and the expenses of law clerks and court reporters as authorized in sections 484.545, subdivision 3, and 486.05, subdivisions 1 and 1a, as certified by the supreme court pursuant

to section 477A.012, subdivision 4.

(i) If a governmental subdivision received an adjustment to its levy limit base for taxes levied in 1988 under section 275.51, subdivision 3j, its levy limit base for taxes levied in 1989 must be reduced by the lesser of (1) the adjustment under section 275.51, subdivision 3j, or (2) the difference between its (i) levy limit for taxes levied in 1988 and its (ii) total actual levy for taxes levied in 1988 minus any special levies claimed for taxes levied in 1988 under section 275.50, subdivision 5.

Sec. 9. Minnesota Statutes 1988, section 477A.011, is amended by adding a subdivision to read:

Subd. 26. [EQUALIZED TAX CAPACITY.] "Equalized tax capacity" means a city or township's tax capacity computed using the class rates in effect for taxes payable in 1991 and market values for the 1989 assessment. The tax capacity shall be computed using equalized market values. The market value utilized in computing tax capacity shall be reduced by the sum of (1) a city's market value of commercial-industrial property as defined in section 473F.02, subdivision 3, multiplied by the ratio determined pursuant to section 473F.08, subdivision 2, paragraph (a), (2) the market value of the captured value of tax increment finance districts as defined in section 469.177, subdivision 2, and (3) the market value of transmission lines deducted from a local government's tax capacity under section 273.425.

Sec. 10. Minnesota Statutes 1988, section 477A.012, subdivision 1, is amended to read:

Subdivision 1. [AID AMOUNT.] In calendar year years 1988 and ~~calendar years thereafter~~, 1989, and 1990, each county government shall receive a distribution equal to the aid amount certified for 1987 pursuant to this subdivision. In calendar year 1991 and subsequent years, each county government shall receive a distribution equal to 75 percent of the aid amount certified for 1990 under this subdivision after reduction pursuant to subdivision 3.

Sec. 11. Minnesota Statutes Second 1989 Supplement, section 477A.012, subdivision 3, is amended to read:

Subd. 3. [AID OFFSET FOR COURT COSTS.] (a) There shall be deducted from the payment to a county under this section an amount representing the cost to the state for assumption of the cost of district court administration and operation of the trial court information system in the county and, in the case of Hennepin and Ramsey counties, of public defense services in juvenile and misdemeanor cases in the county. The amount of the deduction shall be computed as provided in this subdivision.

(b) By October 15, 1989, the board of public defense shall determine and certify to the department of revenue the cost of the state-financed public defense services in juvenile and misdemeanor cases for Hennepin and Ramsey counties during the fiscal year beginning the following July 1. By October 15, 1989, the supreme court shall determine and certify to the department of revenue for each county, except counties located in the eighth judicial district, the pro rata estimated share for each county of district court administration and trial court information system costs during the fiscal year beginning on the following July 1.

(c) One-half of the amount computed under paragraph (b) for each county

shall be deducted from each payment to the county under section 477A.015 in 1990 and each subsequent year.

(d) If the amount computed under paragraph (b) plus, if applicable, the amount deducted under paragraph (e), exceeds the amount payable to a county under subdivision 1, the excess shall be deducted from the aid payable to the county under section 273.1398, subdivision 2.

(e) By July 15, 1990, the board of public defense and the supreme court shall determine and certify to the department of revenue the final actual budgeted amounts for the activities described in paragraph (b). If the amount certified under paragraph (b) is greater than the amount certified under this paragraph, the excess shall be ~~deducted from~~ *added to* the aid payable to the county in 1991 and each subsequent year under this section. If the amount certified under paragraph (b) is less than the amount certified under this paragraph, the difference shall be ~~added to~~ *subtracted from* the aid payable to the county in 1991 and each subsequent year under this section.

Sec. 12. Minnesota Statutes 1988, section 477A.012, is amended by adding a subdivision to read:

Subd. 4. [LEVY LIMIT BASE REDUCTION.] The difference between the amount of aid certified under subdivision 1 for 1990 after reduction under subdivision 3 and that certified for 1991 after reduction under subdivision 3 shall be a levy limit base reduction as provided in section 275.51, subdivision 3f, paragraph (d).

Sec. 13. Minnesota Statutes Second 1989 Supplement, section 477A.013, subdivision 1, is amended to read:

Subdivision 1. [TOWNS.] In calendar year 1989, each town that had levied for taxes payable in 1988 at least one mill on the dollar of the assessed value of the town shall receive a distribution equal to 106 percent of the distribution received under Minnesota Statutes 1987 Supplement, section 477A.013, subdivision 1, in 1988. In calendar year 1990, each town that had levied for taxes payable in the prior year a tax capacity rate of at least .008 shall receive a distribution equal to 106 percent of the amount received in 1989 under this subdivision. In calendar year 1991 and subsequent years, each town that had levied for taxes payable in the prior year a tax capacity rate of at least .008 shall receive a distribution equal to the amount it received in 1990 under this subdivision less *the sum of (1) .8 percent of the township's equalized tax capacity, plus (2) the amount deducted in 1989 under subdivision 6.*

Sec. 14. Minnesota Statutes Second 1989 Supplement, section 477A.013, subdivision 3, is amended to read:

Subd. 3. [CITY AID DISTRIBUTION.] In 1989, a city whose initial aid is greater than \$0 will receive the following aid increases in addition to an amount equal to the local government aid it received in 1988 under Minnesota Statutes 1987 Supplement, section 477A.013:

(1) for a city whose expenditure/unlimited aid ratio is at least 1.5, two percent of city revenue;

(2) for a city whose expenditure/unlimited aid ratio is at least 1.4 but less than 1.5, 2.5 percent of city revenue;

(3) for a city whose expenditure/unlimited aid ratio is at least 1.3 but less than 1.4, three percent of city revenue;

(4) for a city whose expenditure/unlimited aid ratio is at least 1.2 but less than 1.3, four percent of city revenue;

(5) for a city whose expenditure/unlimited aid ratio is at least 1.1 but less than 1.2, five percent of city revenue;

(6) for a city whose expenditure/unlimited aid ratio is at least 1.05 but less than 1.1, six percent of city revenue;

(7) for a city whose expenditure/unlimited aid ratio is at least 1.0 but less than 1.05, seven percent of city revenue;

(8) for a city whose expenditure/unlimited aid ratio is at least .95 but less than 1.0, 7.5 percent of city revenue;

(9) for a city whose expenditure/unlimited aid ratio is at least .75 but less than .95, 8.5 percent of city revenue; and

(10) for a city whose expenditure/unlimited aid ratio is less than .75, nine percent of city revenue.

In 1990, a city whose initial aid is greater than \$0 will receive an amount equal to the aid it received under this section in the year prior to that for which aids are being calculated plus an aid increase equal to 50 percent of the rates listed in clauses (1) to (10) multiplied by city revenue.

In 1991 and subsequent years, a city whose initial aid is greater than \$0 will receive an amount equal to the aid it received under this section in the year prior to that for which aids are being calculated plus an aid increase equal to 25 percent of the rates listed in clauses (1) to (10) multiplied by city revenue 1990 less the greater of: (a) .8 percent of a city's equalized tax capacity or (b) the lesser of: (1) the positive difference, if any, between a city's aid as originally certified under this section for 1990 and its initial aid for 1991, or (2) 2.4 percent of a city's equalized tax capacity.

A city's aid increase under this subdivision is limited to the lesser of (1) 20 percent of its levy for taxes payable in the year prior to that for which aids are being calculated after the adjustments provided in section 273.1398, subdivision 2, or (2) its initial aid amount, or (3) 15 percent of the total amount received under this section in the previous year, provided that no city will receive an increase that is less than two percent of its 1989 local government aid for aids payable in 1990.

~~A city whose initial aid is \$0 will receive in 1990 an amount equal to 102 percent of the local government aid it received in 1989 under Minnesota Statutes 1988, section 477A.013. A city whose initial aid is \$0 will receive in 1991 and subsequent years an amount equal to the aid it received in the previous year under this section. For purposes of this subdivision, the term "local government aid" includes equalization aid for aids payable in 1991 and thereafter.~~

Sec. 15. Minnesota Statutes 1988, section 477A.013, is amended by adding a subdivision to read:

Subd. 7. [LEVY LIMIT BASE REDUCTION.] The difference between a city's or township's 1991 local government aid as computed under this section and its 1991 aid as computed under Minnesota Statutes Second 1989 Supplement, section 477A.013, subdivisions 1 and 3, shall be a levy limit base reduction as provided in section 275.51, subdivision 3f, paragraph (d).

Sec. 16. [FURTHER REDUCTIONS IN AIDS AND CREDITS.]

If the total of the reductions in aids and credits under this article and article 4 for calendar year 1992 is not at least \$174,000,000, the commissioner of revenue shall further reduce state aids payable to cities, counties, towns, and special taxing districts by an amount that, when added to the other reductions of aids and credits under this article, will equal \$174,000,000. Reductions under this section will be made in the manner provided in section 4.

Sec. 17. [EFFECTIVE DATE.]

This article is effective the day following final enactment.

ARTICLE 4

PROPERTY TAX REFUND

Section 1. Minnesota Statutes 1988, section 290A.03, subdivision 11, is amended to read:

Subd. 11. [RENT CONSTITUTING PROPERTY TAXES.] "Rent constituting property taxes" means ~~the amount 20 percent of the gross rent actually paid in cash, or its equivalent, which is attributable (a) to the property tax paid on the unit or (b) to the amount paid in lieu of property taxes,~~ in any calendar year by a claimant *solely* for the right of occupancy of the claimant's Minnesota homestead in the calendar year, and which rent constitutes the basis, in the succeeding calendar year, of a claim for relief under this chapter by the claimant. ~~The amount of rent attributable to property taxes paid or payments in lieu made on the unit shall be determined by multiplying the net tax on the property where the unit is located by a fraction, the numerator of which is the gross rent paid by the claimant for the calendar year for the unit and the denominator of which is the gross rent paid for the calendar year for the property in which the unit is located. In no case may the rent constituting property taxes exceed 50 percent of the gross rent paid by the claimant during that calendar year. In the case of a claimant who resides in a unit for which (1) a rent subsidy is paid to, or for, the claimant based on the income of the claimant or the claimant's family, or (2) a subsidy is paid to a public housing authority that owns or operates the claimant's rental unit, pursuant to United States Code, title 42, section 1437c, 20 percent of gross rent actually paid in cash or its equivalent shall be the claimant's "rent constituting property taxes paid."~~ For purposes of this subdivision, "rent subsidy" does not include any housing assistance received under aid to families with dependent children, general assistance, Minnesota supplemental assistance, supplemental security income, or similar income maintenance programs.

Sec. 2. Minnesota Statutes 1989 Supplement, section 290A.03, subdivision 12, is amended to read:

Subd. 12. [GROSS RENT.] "Gross rent" means rental paid for the right of occupancy, at arms-length, of a homestead, exclusive of charges for any ~~medical~~ services furnished by the landlord as a part of the rental agreement, whether expressly set out in the rental agreement or not. If the landlord and tenant have not dealt with each other at arms-length and the commissioner determines that the gross rent charged was excessive, the commissioner may adjust the gross rent to a reasonable amount for purposes of this chapter.

Any amount paid by a claimant residing in property assessed pursuant

to section 273.124, subdivision 3, 4, 5, or 6 for occupancy in that property shall be excluded from gross rent for purposes of this chapter. However, property taxes imputed to the homestead of the claimant or the dwelling unit occupied by the claimant that qualifies for homestead treatment pursuant to section 273.124, subdivision 3, 4, 5, or 6 shall be included within the term "property taxes payable" as defined in subdivision 13, notwithstanding the fact that ownership is not in the name of the claimant.

Sec. 3. Minnesota Statutes 1988, section 290A.03, subdivision 13, is amended to read:

Subd. 13. [PROPERTY TAXES PAYABLE.] "Property taxes payable" means the property tax exclusive of special assessments, penalties, and interest payable on a claimant's homestead before reductions made under section 273.13 but after deductions made under sections 273.132, 273.135, 273.1391, 273.42, subdivision 2, and any other state paid property tax credits in any calendar year. In the case of a claimant who makes ground lease payments, "property taxes payable" includes the amount of the payments directly attributable to the property taxes assessed against the parcel on which the house is located. No apportionment or reduction of the "property taxes payable" shall be required for the use of a portion of the claimant's homestead for a business purpose if the claimant does not deduct any business depreciation expenses for the use of a portion of the homestead in the determination of federal adjusted gross income. For homesteads which are manufactured homes as defined in section 274.19, subdivision 8, "property taxes payable" shall also include ~~the amount 20 percent of the gross rent paid in the preceding year for the site on which the homestead is located; which is attributable to the net tax paid on the site. The amount attributable to property taxes shall be determined by multiplying the net tax on the parcel by a fraction, the numerator of which is the gross rent paid for the calendar year for the site and the denominator of which is the gross rent paid for the calendar year for the parcel.~~ When a homestead is owned by two or more persons as joint tenants or tenants in common, such tenants shall determine between them which tenant may claim the property taxes payable on the homestead. If they are unable to agree, the matter shall be referred to the commissioner of revenue whose decision shall be final. Property taxes are considered payable in the year prescribed by law for payment of the taxes.

In the case of a claim relating to "property taxes payable," the claimant must have owned and occupied the homestead on January 2 of the year in which the tax is payable and (i) the property must have been classified as homestead property pursuant to section 273.13, subdivision 22 or 23, on or before June 1 of the year in which the "property taxes payable" were levied; or (ii) the claimant must provide documentation from the local assessor that application for homestead classification has been made prior to October 1 of the year in which the "property taxes payable" were payable and that the assessor has approved the application.

Sec. 4. Minnesota Statutes Second 1989 Supplement, section 290A.04, subdivision 2h, is amended to read:

Subd. 2h. (a) If the gross property taxes payable on a homestead increase more than ten percent over the net property taxes payable in the prior year on the same property that is owned by the same owner in both years, and the amount of that increase is \$40 or more for taxes payable in 1990 and 1991, \$60 or more for taxes payable in 1992, \$80 or more for taxes payable

in 1993, and \$100 or more for taxes payable in 1994, a claimant who is a homeowner shall be allowed an additional refund equal to the sum of (1) 75 percent of the first \$250 of the amount of the increase over ten percent for taxes payable in 1990 and 1991, 75 percent of the first \$275 of the amount of the increase over ten percent for taxes payable in 1992, 75 percent of the first \$300 of the amount of the increase over ten percent for taxes payable in 1993, and 75 percent of the first \$325 of the amount of the increase over ten percent for taxes payable in 1994, and (2) 90 percent of the amount of the increase over ten percent plus \$250 for taxes payable in 1990 and 1991, 90 percent of the amount of the increase over ten percent plus \$275 for taxes payable in 1992, 90 percent of the amount of the increase over ten percent plus \$300 for taxes payable in 1993, and 90 percent of the amount of the increase over ten percent plus \$325 for taxes payable in 1994. This subdivision shall not apply to any increase in the net property taxes payable attributable to improvements made to the homestead.

(b) For purposes of this subdivision, the following terms have the meanings given:

(1) "Net property taxes payable" means property taxes payable after reductions made under sections 273.13, subdivisions 22 and 23; 273.132; 273.135; 273.1391; and 273.42, subdivision 2, and any other state paid property tax credits and after the deduction of tax refund amounts for which the claimant qualifies pursuant to subdivision 2 and this subdivision.

(2) "Gross property taxes" means net property taxes payable determined without regard to the refund allowed under this subdivision.

(c) In addition to the other proofs required by this chapter, each claimant under this subdivision shall file with the property tax refund return a copy of the property tax statement for taxes payable in the preceding year or other documents required by the commissioner.

On or before December 1, 1990, and December 1 of each of the following three years, the commissioner shall estimate the cost of making the payments provided by this subdivision for taxes payable in the following year. Notwithstanding the open appropriation provision of section 290A.23, if the estimated total refund claims exceed the following amounts for the taxes payable year designated, the commissioner shall decrease the percentages of the excess taxes the state will pay and increase the dollar amount of tax increase which must occur before a taxpayer qualifies for a refund.

Taxes payable in:	Appropriation limit
1991	\$7,000,000 \$12,000,000
1992	\$6,500,000
1993	\$6,000,000
1994	\$5,500,000

The commissioner shall make the adjustments so that half of the estimated savings come from decreasing the percentages of the excess taxes the state will pay and half of the estimated savings come from increasing the dollar amount of the tax increase which must occur before a taxpayer qualifies for a refund. The determinations of the revised percentages and thresholds by the commissioner are not rules subject to chapter 14.

Sec. 5. Minnesota Statutes 1988, section 290A.19, is amended to read:

290A.19 [OWNER OR MANAGING AGENT TO FURNISH RENT CERTIFICATE; PENALTY.]

(a) The owner or managing agent of any property for which rent is paid for occupancy as a homestead shall furnish a certificate of rent constituting property tax to each person who is a renter on December 31, in the form prescribed by the commissioner. If the renter moves prior to December 31, the owner or managing agent has the option to either provide the certificate to the renter at the time of moving, or mail the certificate to the forwarding address if an address has been provided by the renter. The certificate shall be made available to the renter not later than January 31 of the year following the year in which the rent was paid. *The owner or managing agent must retain a duplicate of each certificate for a period of three years. The duplicate must be made available to the commissioner or the renter if either requests a copy.*

(b) Any owner or managing agent who willfully fails to furnish a certificate to the renter and the commissioner as required by this section is liable to the commissioner for a penalty of \$100 for each act or failure to act. The penalty shall be assessed and collected in the manner provided in chapter 290 for the assessment and collection of income tax. ~~If the owner or managing agent willfully furnishes certificates that report total rent constituting property taxes in excess of the amount of actual property taxes paid on the rented part of a property, as determined under this section, the owner or managing agent is liable for a penalty equal to the greater of (1) \$100 or (2) 50 percent of the excess that is reported. If the owner or managing agent reports a total amount of rent constituting property taxes that exceeds by ten percent or more the actual property taxes, the report is deemed to be willful.~~

(c) ~~If the owner or managing agent elects to provide the renter with the certificate at the time of moving, rather than after December 31, the amount of rent constituting property taxes shall be computed as follows:~~

~~(i) The net tax shall be reduced by 1/12 for each month remaining in the calendar year.~~

~~(ii) In calculating the denominator of the fraction pursuant to section 290A-03, subdivision 11, the gross rent paid through the last month of claimant's occupancy shall be substituted for "the gross rent paid for the calendar year for the property in which the unit is located."~~

~~(d) The certificate of rent constituting property taxes shall include the address of the property, including the county, and the property tax parcel identification number and any additional information which the commissioner determines is appropriate.~~

~~(e) If the owner or managing agent fails to provide the renter with a certificate of rent constituting property taxes, the commissioner shall allocate the net tax on the building to the unit on a square footage basis or other appropriate basis as the commissioner determines. The renter shall supply the commissioner with a statement from the county treasurer which gives the amount of property tax on the parcel, the address and property tax parcel identification number of the property, and the number of units in the building.~~

~~(f) The owner or managing agent must file a copy of the certificate of rent paid with the commissioner before April 15 of the year following the year in which the rent was paid. The commissioner may require that each owner or managing agent report on a single form the total property taxes for a property and the allocation of the property taxes as rent constituting~~

~~property taxes among the renters of the property.~~

Sec. 6. [REPEALER.]

Minnesota Statutes Second 1989 Supplement, section 290A.045, is repealed.

Sec. 7. [EFFECTIVE DATE.]

Sections 1 to 3 and 5 are effective for claims based on rent paid in 1990 and thereafter. Section 6 is effective the day following final enactment and applies to taxes payable in 1990 and 1991.

ARTICLE 5

MISCELLANEOUS

Section 1. [116J.871] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] For the purposes of this section and section 2, the following terms have the meanings given them.

Subd. 2. [FINANCIAL ASSISTANCE.] "Financial assistance" means (1) a grant of \$100,000 or more awarded by a government agency; (2) a loan or the guaranty or purchase of a loan of \$500,000 or more made by a government agency; (3) a reduction, credit, or abatement of a tax assessed under chapter 297A where the tax reduction, credit, or abatement applies to a geographic area smaller than the entire state; or (4) tax increment financing for a project with a total cost equal to or greater than \$500,000.

Subd. 3. [GOVERNMENT AGENCY.] "Government agency" means a state agency, the Greater Minnesota Corporation, a political subdivision of the state, a housing and redevelopment agency, port authority, economic development authority, an area redevelopment authority, or a rural development financing authority organized or operating under chapter 469, or a port authority organized under special law.

Subd. 4. [PROJECT SITE.] "Project site" means the location where improvements are made or business operations are undertaken that are financed in whole or in part by the financial assistance; or the location of employees that receive financial assistance in the form of employment and training services as defined in section 268.0111, subdivision 4.

Sec. 2. [116J.872] [FINANCIAL ASSISTANCE; CERTIFICATION.]

Subdivision 1. [FINANCIAL ASSISTANCE LIMITATIONS.] A government agency may provide financial assistance to a person only if the person receiving or benefiting from the financial assistance certifies to the commissioner of labor and industry that laborers, workers, and mechanics at the project site during construction, installation, remodeling, and repairs for which the financial assistance was provided will be paid the prevailing wage rate as defined in section 177.42, subdivision 6, for the county or other areas from which labor for the project is secured.

Subd. 2. [PREVAILING WAGE; PENALTY.] It is a misdemeanor for a person who has certified that prevailing wages will be paid to laborers, workers, and mechanics under subdivision 1 to subsequently fail to pay the prevailing wage. This misdemeanor is punishable by a fine of not more than \$700, or imprisonment for not more than 90 days, or both. Each day a violation of this subdivision continues is a separate offense.

Sec. 3. [270.0682] [TAX INCIDENCE REPORTS.]

Subdivision 1. [BIENNIAL REPORT.] The commissioner of revenue shall report to the legislature by March 1 of each odd-numbered year on the overall incidence of the income tax, sales and excise taxes, and property tax. The report shall present information on the distribution of the tax burden (1) for the entire income distribution, using a system-wide incidence measure such as the Suits index or other appropriate measures of equality and inequality, (2) by income classes, including at a minimum deciles of the income distribution, and (3) by household or family characteristics such as filing status, number of dependents, or other appropriate characteristics.

Subd. 2. [BILL ANALYSES.] At the request of the chair of the house of representatives tax committee or the senate committee on taxes and tax laws, the commissioner of revenue shall prepare an incidence impact analysis of a bill or a proposal to change the tax system. To the extent data is available on the changes in the distribution of the tax burden that are affected by the bill or proposal, the analysis shall report on the incidence effects that would result if the bill were enacted. The report may present information using system-wide measures, such as Suits or other similar indexes, by income classes, taxpayer characteristics, or other relevant categories. The report may include analyses of the effect of the bill or proposal on representative taxpayers. The analysis must include a statement of the incidence assumptions that were used in computing the burdens.

Subd. 3. [INCOME MEASURE.] The incidence analyses shall use the broadest measure of economic income for which reliable data is available. The analyses may be based on permanent or annual incomes, as the commissioner determines appropriate and for which reliable data is available.

Sec. 4. [BLOOMINGTON LODGING TAX.]

Subdivision 1. [AUTHORIZATION.] Notwithstanding Minnesota Statutes, section 469.190, 477A.016, or other law, in addition to the tax authorized in Laws 1986, chapter 391, section 4, the governing body of the city of Bloomington may impose a tax of up to one percent on the gross receipts from the furnishing for consideration of lodging at a hotel, motel, rooming house, tourist court, or resort, other than the renting or leasing of it for a continuous period of 30 days or more, located in the city. The city may agree with the commissioner of revenue that a tax imposed under this section shall be collected by the commissioner together with the tax imposed by Minnesota Statutes, chapter 297A, and subject to the same interest, penalties, and other rules and that its proceeds, less the cost of collection, shall be remitted to the city. The proceeds of the tax must be used to promote the metropolitan sports area defined in Minnesota Statutes, section 473.551, subdivision 5.

Subd. 2. [EFFECTIVE DATE.] This section is effective the day after the filing of a certificate of local approval by the governing body of the city of Bloomington in compliance with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 5. [COLERAINE, LAKE SUPERIOR, CHISHOLM, ELY, EVELETH, GILBERT, BABBITT, AND ST. LOUIS COUNTY SCHOOL DISTRICT BONDS.]

Subdivision 1. [AUTHORIZATION.] Independent school district No. 316, Coleraine, may issue bonds in an aggregate principal amount not exceeding \$950,000; independent school district No. 381, Lake Superior, may issue

bonds in an aggregate principal amount not exceeding \$300,000; independent school district No. 695, Chisholm, may issue bonds in an aggregate principal amount not exceeding \$3,500,000; independent school district No. 696, Ely, may issue bonds in an aggregate principal amount not exceeding \$1,000,000; independent school district No. 697, Eveleth, may issue bonds in an aggregate principal amount not exceeding \$3,500,000; independent school district No. 699, Gilbert, may issue bonds in an aggregate principal amount not exceeding \$1,000,000; and independent school district No. 692, Babbitt, may issue bonds in an aggregate principal amount not exceeding \$500,000.

Subd. 2. [AUTHORIZATION.] Independent school district No. 710, St. Louis county, may issue bonds in an aggregate amount not to exceed \$1,750,000.

Subd. 3. [USES; PROCESS.] The bonds authorized under subdivisions 1 and 2 may be issued in addition to any bonds already issued or authorized. The proceeds of the bonds shall be used to provide funds to construct, equip, furnish, remodel, rehabilitate, and acquire land for school facilities and buildings and to pay any architects', engineers', and legal fees incidental to those purposes or the sale. Except as permitted by this section, the bonds shall be authorized, issued, sold, executed, and delivered in the manner provided by Minnesota Statutes, chapter 475. A referendum on the question of issuing the bonds authorized under subdivision 2 is not required. A resolution of the board levying taxes for the payment of the bonds and interest on them as authorized by this section and pledging the proceeds of the levies for the payment of the bonds and interest on them shall be deemed to be in compliance with the provisions of chapter 475 with respect to the levying of taxes for their payment.

Subd. 4. [APPROPRIATION.] There is annually appropriated from the distribution of taconite production tax revenues to the taconite environmental protection fund pursuant to Minnesota Statutes, section 298.28, subdivision 11, and to the northeast Minnesota economic protection trust pursuant to section 298.28, subdivisions 9 and 11, in equal shares, an amount sufficient to pay when due 80 percent of the principal and interest on the bonds issued under subdivision 1 and 100 percent of the principal and interest on the bonds issued under subdivision 2. If the annual distribution to the northeast Minnesota economic protection trust is insufficient to pay its share after fulfilling any obligations of the trust under Minnesota Statutes, section 298.225 or 298.293, the deficiency shall be appropriated from the taconite environmental protection fund.

Subd. 5. [DISTRICT OBLIGATIONS.] Bonds issued under authority of this section shall be the general obligations of the school district, for which its full faith and credit and unlimited taxing powers shall be pledged. If there are any deficiencies in the amount received pursuant to subdivision 4, they shall be made good by general levies, not subject to limit, on all taxable properties in the district in accordance with Minnesota Statutes, section 475.74. If any deficiency levies are necessary, the school board may effect a temporary loan or loans on certificates of indebtedness issued in anticipation of them to meet payments of principal or interest on the bonds due or about to become due.

Subd. 6. [DISTRICT LEVY.] The school board of each school district authorized to issue bonds under subdivision 1 shall by resolution levy on all property in the school district subject to the general ad valorem school

tax levies, and not subject to taxation under Minnesota Statutes, sections 298.23 to 298.28, a direct annual ad valorem tax for each year of the term of the bonds in amounts that, if collected in full, will produce the amounts needed to meet when due 20 percent of the principal and interest payments on the bonds. A copy of the resolution shall be filed, and the necessary taxes shall be extended, assessed, collected, and remitted in accordance with Minnesota Statutes, section 475.61.

Subd. 7. [LEVY LIMITATIONS.] Taxes levied pursuant to this section shall be disregarded in the calculation of any other tax levies or limits on tax levies provided by other law.

Subd. 8. [BONDING LIMITATIONS.] Bonds may be issued under authority of this section notwithstanding any limitations upon the indebtedness of a district, and their amounts shall not be included in computing the indebtedness of a district for any purpose, including the issuance of subsequent bonds and the incurring of subsequent indebtedness.

Subd. 9. [TERMINATION OF APPROPRIATION.] The appropriation authorized in subdivision 4 shall terminate upon payment or maturity of the last of those bonds.

Subd. 10. [LOCAL APPROVAL.] This section is effective for independent school district No. 316, the day after its governing body complies with Minnesota Statutes, section 645.021, subdivision 3, and for independent school district No. 381 the day after its governing body complies with Minnesota Statutes, section 645.021, subdivision 3, and for independent school district No. 695 the day after its governing body complies with Minnesota Statutes, section 645.021, subdivision 3, and for independent school district No. 696 the day after its governing body complies with Minnesota Statutes, section 645.021, subdivision 3, and for independent school district No. 697 the day after its governing body complies with Minnesota Statutes, section 645.021, subdivision 3, and for independent school district No. 699 the day after its governing body complies with Minnesota Statutes, section 645.021, subdivision 3, and for independent school district No. 692 the day after its governing body complies with Minnesota Statutes, section 645.021, subdivision 3, and for independent school district No. 710 the day after its governing body complies with Minnesota Statutes, section 645.021, subdivision 3."

Delete the title and insert:

"A bill for an act relating to the financing and operation of government in Minnesota; updating references to the Internal Revenue Code; imposing an annual fee on corporations and partnerships; changing the computation of state aids to local units of governments; modifying the computation and administration of taxes and property tax refunds; changing tax rates; authorizing certain local governments to borrow money; permitting the city of Bloomington to impose lodging taxes; changing truth-in-taxation requirements; requiring payment of the prevailing wage for financial assistance; requiring a report and study; imposing and transferring powers and duties; changing certain effective dates; authorizing issuance of bonds by special school district No. 1, Minneapolis; independent school district No. 625, St. Paul; independent school district No. 709, Duluth; independent school district No. 316, Coleraine; independent school district No. 381, Lake Superior; independent school district No. 695, Chisholm; independent school district No. 696, Ely; independent school district No. 697, Eveleth; independent school district No. 699, Gilbert; independent school district No.

692, Babbitt; and independent school district No. 710, St. Louis county; providing a fund balance correction for independent school district No. 624, White Bear Lake; authorizing a special levy by Stearns county; requiring certain property tax notices in Washington county; appropriating money; amending Minnesota Statutes 1988, sections 136D.27, subdivision 2; 136D.74, subdivision 2a; 136D.87, subdivision 2; 169.86, subdivision 1; 273.124, by adding subdivisions; 273.1398, by adding a subdivision; 275.125, subdivision 10; 275.55; 276.111; 282.09, subdivision 1; 290.31, subdivision 1; 290.9725; 290A.03, subdivisions 11 and 13; 290A.19; 477A.011, by adding a subdivision; 477A.012, subdivision 1, and by adding a subdivision; 477A.013, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 124.83, subdivision 6; 136D.27, subdivision 3; 136D.74, subdivision 2b; 136D.87, subdivision 3; 273.11, subdivision 4; 275.08, subdivision 1d; 275.125, subdivision 6i; 279.01, subdivision 1; 290.01, subdivision 19; 290A.03, subdivision 12; 410.32; 473.446, subdivision 1; Minnesota Statutes Second 1989 Supplement, sections 3.982; 60A.15, subdivision 1; 124.83, subdivision 1; 256.025, subdivision 4; 273.064; 273.119, subdivision 2; 273.123, subdivision 4; 273.13, subdivisions 23, 24, 25, and 32; 273.1398, subdivisions 1, 2, 5a, 5b, and 6; 275.065, subdivisions 1, 3, and 6; 275.50, subdivision 5; 275.51, subdivisions 3f and 4; 276.09; 276.10; 276.11, subdivision 1; 290.05, subdivision 1; 290.06, subdivision 1; 290.0921, subdivisions 1 and 3; 290A.04, subdivision 2h; 469.171, subdivision 7a; 473H.10, subdivision 3; 477A.012, subdivision 3; 477A.013, subdivisions 1, 3, and 6; Laws 1959, chapter 462, section 3, subdivision 10, as renumbered, as amended; Laws 1989, First Special Session chapter 1, article 5, section 52; proposing coding for new law in Minnesota Statutes, chapters 116J; 134; 270; and 290; repealing Minnesota Statutes Second 1989 Supplement, sections 290.06, subdivision 1a; and 290A.045."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davis from the Committee on Agriculture and Rural Development, to which were referred the following appointments as reported in the Journal for March 5, 1990:

BOARD OF ANIMAL HEALTH

Theodore Huisinga

MINNESOTA RURAL FINANCE AUTHORITY

David Velde

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Davis from the Committee on Agriculture and Rural Development, to which was referred the following appointment as reported in the Journal for January 9, 1989:

MINNESOTA RURAL FINANCE AUTHORITY

Paul A. Sobocinski

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Pehler from the Committee on Education, to which were referred the following appointments as reported in the Journal for March 21, 1990:

STATE BOARD FOR COMMUNITY COLLEGES

John Borchert

STATE BOARD OF VOCATIONAL TECHNICAL EDUCATION

Douglas Knowlton

Gerald Mullen

John O'Connor

STATE UNIVERSITY BOARD

Paula Dykstra

Elizabeth Pegues

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

SECOND READING OF SENATE BILLS

S.F. Nos. 2540 and 2617 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Berg moved that the names of Messrs. Lessard; Frederickson, D.R.; Ramstad and Dahl be added as co-authors to S.F. No. 1706. The motion prevailed.

Mr. Moe, R.D. moved that S.F. No. 1787 be withdrawn from the Committee on Rules and Administration and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

SUSPENSION OF RULES

Mr. Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S.F. No. 2617 and that the rules of the Senate be so far suspended as to give S.F. No. 2617, now on General Orders, its third reading and place it on its final passage. The motion prevailed.

S.F. No. 2617: A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and other agencies with certain conditions; reducing appropriations for the biennium ending June 30, 1991, with certain conditions; providing for the transfer of money in the state treasury; amending Minnesota Statutes 1989 Supplement, section 297B.09, subdivision 1.

Mr. Benson moved to amend S.F. No. 2617 as follows:

Page 4, line 13, after the period, insert "*By July 1, 1990, the commissioner of finance shall publish the revised spending plans in the State Register.*"

The motion prevailed. So the amendment was adopted.

Mr. Frederickson, D.J. moved to amend S.F. No. 2617 as follows:

Page 3, line 19, delete "(391,000)" and insert "(279,000)"

Page 3, after line 30, insert:

"The reduction for the second year includes an offsetting appropriation of \$112,000 to the commissioner of agriculture for grants to county and district agricultural societies under Minnesota Statutes, section 38.02."

Correct the summary by fund accordingly

The motion prevailed. So the amendment was adopted.

Mrs. McQuaid moved to amend S.F. No. 2617 as follows:

Page 1, line 26, delete "(3,408,000) (2,892,000)" and insert "-0- 516,000"

Page 2, line 8, delete "1,600,000" and insert "5,008,000"

Page 2, line 9, delete "This appropriation" and insert "\$1,600,000 the second year"

Page 2, after line 10, insert:

"\$3,408,000 the second year is for light rail transit."

Page 3, after line 37, insert:

"Sec. 11. GREATER MINNESOTA CORPORATION (3,408,000)

\$3,408,000 is transferred from the greater Minnesota account in the special revenue fund to the general fund."

Correct the section totals and the summary by fund accordingly

Renumber the sections in sequence

CALL OF THE SENATE

Mr. Langseth imposed a call of the Senate for the balance of the proceedings on S.F. No. 2617. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the McQuaid amendment.

The roll was called, and there were yeas 20 and nays 37, as follows:

Those who voted in the affirmative were:

Belanger	Decker	Johnson, D.E.	McQuaid	Pariseau
Benson	Diessner	Knaak	Metzen	Pogemiller
Berglin	Flynn	Kroening	Novak	Ramstad
Brataas	Gustafson	Laidig	Olson	Storm

Those who voted in the negative were:

Adkins	Davis	Langseth	Moe, R. D.	Renneke
Anderson	Dicklich	Lantry	Morse	Samuelson
Beckman	Frank	Lessard	Pehler	Spear
Berg	Frederick	Luther	Peterson, R. W.	Stumpf
Bernhagen	Frederickson, D.J.	Marty	Piepho	Vickerman
Bertram	Frederickson, D.R.	McGowan	Piper	
Brandl	Freeman	Mehrkens	Purfeerst	
Chmielewski	Johnson, D.J.	Moe, D.M.	Reichgott	

The motion did not prevail. So the amendment was not adopted.

Mr. Frederick moved to amend S.F. No. 2617 as follows:

Page 2, delete lines 8 to 14

Page 2, delete lines 26 to 30

Pages 4 to 6, delete section 17

Page 6, line 15, delete "18" and insert "17"

Correct the summary by fund accordingly

The motion did not prevail. So the amendment was not adopted.

RECONSIDERATION

Having voted on the prevailing side, Ms. Berglin moved that the vote whereby the Frederickson, D.J. amendment to S.F. No. 2617 was adopted on March 29, 1990, be now reconsidered.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 35 and nays 29, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Knaak	Merriam	Piper
Belanger	Dicklich	Kroening	Moe, D.M.	Pogemiller
Berg	Diessner	Lantry	Moe, R. D.	Reichgott
Berglin	Flynn	Luther	Novak	Samuelson
Brandl	Frank	Marty	Olson	Spear
Brataas	Freeman	McGowan	Pehler	Storm
Cohen	Johnson, D.J.	McQuaid	Peterson, R. W.	Waldorf

Those who voted in the negative were:

Anderson	Davis	Johnson, D.E.	Mehrkens	Renneke
Beckman	Decker	Knutson	Metzen	Schmitz
Benson	Frederick	Laidig	Morse	Solon
Bernhagen	Frederickson, D.J.	Langseth	Pariseau	Stumpf
Bertram	Frederickson, D.R.	Larson	Piepho	Vickerman
Chmielewski	Gustafson	Lessard	Ramstad	

The motion prevailed. So the vote was reconsidered.

The question recurred on the adoption of the Frederickson, D.J. amendment. The motion did not prevail. So the amendment was not adopted.

Mr. Piepho moved to amend S.F. No. 2617 as follows:

Page 6, after line 14, insert:

"Sec. 18. [CONSTITUTIONAL AMENDMENT PROPOSED.]

An amendment to the Minnesota Constitution is proposed to the people. If the amendment is adopted, a new article XIV, section 12, will read:

Sec. 12. The proceeds of a tax levied on the purchase price of a motor vehicle must be distributed according to the following schedule:

(1) for the fiscal year ending June 30, 1992: 37.5 percent to the highway user tax distribution fund, and 12.5 percent for use by public bodies for public transit purposes other than those described in sections 1 to 4;

(2) for the fiscal year ending June 30, 1993: 45 percent to the highway user tax distribution fund, and 15 percent for use by public bodies for public transit purposes other than those described in sections 1 to 4;

(3) for the fiscal year ending June 30, 1994: 52.5 percent to the highway user tax distribution fund, and 17.5 percent for use by public bodies for public transit purposes other than those described in sections 1 to 4;

(4) for the fiscal year ending June 30, 1995: 60 percent to the highway user tax distribution fund, and 20 percent for use by public bodies for public transit purposes other than those described in sections 1 to 4;

(5) for the fiscal year ending June 30, 1996: 67.5 percent to the highway user tax distribution fund, and 22.5 percent for use by public bodies for public transit purposes other than those described in sections 1 to 4; and

(6) after June 30, 1996: 75 percent to the highway user tax distribution fund, and 25 percent for use by public bodies for public transit purposes other than those described in sections 1 to 4.

Sec. 19. [SUBMISSION TO VOTERS.]

The proposed amendment must be submitted to the people at the 1990 general election. The question submitted must be:

“Shall the Minnesota Constitution be amended to dedicate proceeds of any tax on the purchase price of a motor vehicle, over a five-year period, 75 percent to the highway user tax distribution fund and 25 percent for transit assistance purposes?

Yes
No”

Election procedures must be as provided by law.”

Page 6, line 15, delete “18” and insert “20”

Amend the title as follows:

Page 1, line 8, after the semicolon, insert “proposing an amendment to the Minnesota Constitution, article XIV; dedicating proceeds of a tax on the purchase price of a motor vehicle to highway and transit purposes;”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 35, as follows:

Those who voted in the affirmative were:

- | | | | | |
|-----------|--------------------|---------|----------|-----------|
| Anderson | Brataas | Knaak | Mehrkens | Renneke |
| Beckman | Decker | Knutson | Morse | Storm |
| Belanger | Frederick | Laidig | Olson | Vickerman |
| Benson | Frederickson, D.R. | Larson | Pariseau | |
| Bernhagen | Gustafson | McGowan | Piepho | |
| Bertram | Johnson, D.E. | McQuaid | Ramstad | |

Those who voted in the negative were:

Adkins	Dicklich	Kroening	Moe, R.D.	Reichgott
Berg	Diessner	Langseth	Novak	Samuelson
Berglin	Flynn	Lantry	Pehler	Schmitz
Brandl	Frank	Lessard	Peterson, R.W.	Solon
Chmielewski	Frederickson, D.J.	Luther	Piper	Spear
Cohen	Freeman	Marty	Pogemiller	Stumpf
Davis	Johnson, D.J.	Metzen	Purfeerst	Waldorf

The motion did not prevail. So the amendment was not adopted.

Mr. Ramstad moved to amend S.F. No. 2617 as follows:

Page 3, line 14, delete "750,000" and insert "1,025,000"

Page 3, after line 37, insert:

"Sec. 11. GREATER MINNESOTA CORPORATION (275,000)

\$275,000 is transferred from the greater Minnesota account in the special revenue fund to the general fund to be an additional amount for the department of public safety to use to fight the war on drugs."

Correct the section totals and the summary by fund accordingly

Re-number the sections in sequence

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 28 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Bertram	Gustafson	McGowan	Ramstad
Beckman	Brataas	Johnson, D.E.	McQuaid	Renneke
Belanger	Decker	Knaak	Mehrkens	Storm
Benson	Frederick	Knutson	Olson	Vickerman
Berglin	Frederickson, D.R.	Laidig	Pariseau	
Bernhagen	Freeman	Larson	Piepho	

Those who voted in the negative were:

Adkins	Dicklich	Langseth	Moe, R.D.	Samuelson
Berg	Diessner	Lantry	Morse	Schmitz
Brandl	Flynn	Lessard	Peterson, R.W.	Stumpf
Chmielewski	Frank	Luther	Piper	Waldorf
Cohen	Frederickson, D.J.	Marty	Pogemiller	
Dahl	Johnson, D.J.	Merriam	Purfeerst	
Davis	Kroening	Metzen	Reichgott	

The motion did not prevail. So the amendment was not adopted.

Mrs. Pariseau moved to amend S.F. No. 2617 as follows:

Page 3, line 19, delete "(391,000)" and insert "(341,000)"

Page 3, after line 30, insert:

"The ethanol promotion fund is not reduced for the second year, but is increased by \$12,000."

Page 3, line 31, delete "(50,000)" and insert "(100,000)"

Correct the section totals and the summary by fund accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 33, as follows:

Those who voted in the affirmative were:

Anderson	Davis	Johnson, D.E.	McQuaid	Renneke
Beckman	Decker	Knaak	Mehrkens	Storm
Belanger	Frederick	Knutson	Morse	Vickerman
Benson	Frederickson, D.J.	Laidig	Olson	
Bernhagen	Frederickson, D.R.	Larson	Pariseau	
Brataas	Gustafson	McGowan	Piepho	

Those who voted in the negative were:

Berg	Diessner	Lantry	Novak	Samuelson
Berglin	Flynn	Lessard	Pehler	Schmitz
Bertram	Frank	Luther	Peterson, R. W.	Spear
Brandl	Freeman	Marty	Piper	Stumpf
Chmielewski	Johnson, D.J.	Merriam	Pogemiller	Waldorf
Cohen	Kroening	Metzen	Purfeerst	
Dicklich	Langseth	Moe, R.D.	Reichgott	

The motion did not prevail. So the amendment was not adopted.

Mr. Benson moved to amend S.F. No. 2617 as follows:

Page 3, after line 30, insert:

“\$25,000 the second year is to research the potential economic consequences of the use of biosynthetic bovine somatotropin. The commissioner of agriculture shall prepare a report of the research and submit it to the legislature by January 15, 1991. After submitting the report to the legislature, the commissioner of agriculture shall first determine the number of milk producers in the state and then conduct a referendum of milk producers of the question, “Should biosynthetic bovine somatotropin be banned for general use in the state?” Notwithstanding any other law to the contrary, a state restriction on the general use of biosynthetic bovine somatotropin is not effective unless a majority of the milk producers in the state in a referendum answer the above question in the affirmative and the commissioner of agriculture publishes the result of the survey in the State Register.”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 36, as follows:

Those who voted in the affirmative were:

Anderson	Davis	Johnson, D.E.	Mehrkens	Renneke
Belanger	Decker	Knaak	Olson	Storm
Benson	Diessner	Knutson	Pariseau	
Berg	Frederick	Laidig	Piepho	
Bernhagen	Frederickson, D.R.	McGowan	Purfeerst	
Brataas	Gustafson	McQuaid	Ramstad	

Those who voted in the negative were:

Adkins	Flynn	Lessard	Pehler	Spear
Beckman	Frank	Luther	Peterson, R. W.	Stumpf
Berglin	Frederickson, D.J.	Marty	Piper	Vickerman
Bertram	Freeman	Merriam	Pogemiller	Waldorf
Chmielewski	Johnson, D.J.	Metzen	Reichgott	
Cohen	Kroening	Moe, R.D.	Samuelson	
Dahl	Langseth	Morse	Schmitz	
Dicklich	Lantry	Novak	Solon	

The motion did not prevail. So the amendment was not adopted.

S.F. No. 2617 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 42 and nays 21, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Kroening	Morse	Schmitz
Beckman	Dicklich	Langseth	Novak	Solon
Berg	Diessner	Lantry	Pehler	Spear
Berglin	Flynn	Luther	Peterson, R. W.	Stumpf
Bertram	Frank	Marty	Piper	Vickerman
Brandl	Frederickson, D.J.	Mehrkens	Pogemiller	Waldorf
Chmielewski	Freeman	Merriam	Purfeerst	
Cohen	Johnson, D.E.	Metzen	Reichgott	
Dahl	Johnson, D.J.	Moe, R.D.	Samuelson	

Those who voted in the negative were:

Anderson	Decker	Knutson	Olson	Storm
Belanger	Frederick	Laidig	Pariseau	
Benson	Frederickson, D.R.	Larson	Piepho	
Bernhagen	Gustafson	McGowan	Ramstad	
Brataas	Knaak	McQuaid	Renneke	

So the bill, as amended, was passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate revert to the Order of Business of Reports of Committees. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Joint Rule 2.03, together with the committee report thereon,

H.F. No. 493: A bill for an act relating to education; requiring a pupil to identify reasons for enrolling in a nonresident district under the enrollment options program; providing a resident district with notice of a pupil's participation under the program; restricting transfers; restricting participation in extracurricular varsity athletic activities in a nonresident district; amending Minnesota Statutes 1988, section 120.062, subdivisions 4, 6, 9, and by adding a subdivision; repealing Minnesota Statutes 1988, section 120.062, subdivision 8.

Reports the same back with the recommendation that the report from

the Committee on Education, shown in the Journal for March 28, 1990, be adopted; that committee recommendation being:

“the bill be amended and when so amended the bill do pass and be referred to the Committee on Finance”. Amendments adopted. Report adopted.

MOTIONS AND RESOLUTIONS - CONTINUED

Messrs. Bertram, Anderson, Larson and Diessner introduced—

Senate Concurrent Resolution No. 10: A Senate concurrent resolution supporting the efforts of the volunteers working to build a Minnesota Vietnam Veterans Memorial.

Mr. Moe, R.D. moved that Senate Concurrent Resolution No. 10 be laid on the table. The motion prevailed.

Mr. Piepho introduced—

Senate Resolution No. 175: A Senate resolution congratulating the Mankato Loyola High School Boys Basketball Team for its outstanding efforts and accomplishments during the 1989-1990 basketball season.

Referred to the Committee on Rules and Administration.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate proceed to the Order of Business of Introduction and First Reading of Senate Bills. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bill was read the first time and referred to the committee indicated.

Ms. Reichgott, Messrs. Spear and Luther introduced—

S.F. No. 2620: A bill for an act relating to civil actions; adopting the discovery rule for medical malpractice statutes of limitation; amending Minnesota Statutes 1989 Supplement, section 541.07.

Referred to the Committee on Judiciary.

MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2480 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2480: A bill for an act relating to taxation; making technical corrections and administrative changes to property, sales and use, motor vehicle excise, income, franchise, insurance, petroleum products, pull-tab and tipboard taxes, firefighter state aids, and property tax refunds; making technical corrections and administrative changes to certain aids to local government; including lottery prizes as refunds in the revenue recapture act; providing for posting of certain tax delinquencies; requiring a social security number on certain probate applications; imposing a tax on untaxed pull-tabs and tipboards; recodifying license inquiry provisions; providing

for payment and settlement of state elections campaign funds to political party state committees; transferring certain powers and duties; recodifying and providing for tax administrative, enforcement, and collection procedures; imposing penalties; amending Minnesota Statutes 1988, sections 60A.198, by adding a subdivision; 69.771, subdivision 3; 69.772, subdivision 2a; 69.774, subdivision 1; 116K.04, subdivision 4; 270.65; 270.67, subdivisions 1 and 2; 270.68, subdivisions 1 and 3; 270.69, subdivisions 2, 3, 7, 8, and by adding a subdivision; 270.70, subdivision 1; 270A.03, subdivision 7; 274.01, subdivision 1; 275.54; 287.21, subdivision 2; 290.05, subdivision 4; 290.17, subdivision 5; 290.39, subdivision 5; 290.49, subdivision 3; 290.92, subdivisions 6a, 12, 23, and 24; 290.93, subdivision 1; 290A.03, subdivision 3; 290A.04, subdivision 1; 290A.07, subdivision 3; 290A.19; 296.06, subdivision 2; 296.18, subdivisions 2 and 3; 296.25; 297A.01, subdivision 8; 297A.03, subdivision 2; 297A.041; 297A.14, subdivision 1; 297A.18; 297A.211, subdivision 3; 297A.25, subdivision 31; 297A.255, by adding a subdivision; 297B.035, subdivision 1; 299F.21, subdivision 1; 349.212, by adding a subdivision; 477A.011, by adding a subdivision; 524.3-1001; 524.3-301; Minnesota Statutes 1989 Supplement, sections 38.18; 50.14, subdivision 4; 69.021, subdivision 6; 110.70; 118.12; 163.04, subdivision 3; 163.06, subdivision 6; 165.10, subdivision 1; 168.013, subdivision 5; 168A.10, subdivision 1; 270.06; 270.73, subdivision 1; 270B.07, by adding a subdivision; 272.16; 273.01; 273.11, subdivision 1; 290.39, subdivision 4; 290.92, subdivision 4c; 290.9201, subdivisions 7 and 8; 290.9705, subdivision 4; 297A.17; 365.025, subdivision 4; 368.01, subdivision 23; 368.44; 368.47; 370.01; 383.06; 385.31; 386.34; 412.081, subdivision 1; 412.221, subdivision 2; 430.102, subdivision 2; 465.04; 469.177, subdivision 1a; 471.24; 471.73; 475.58, subdivision 2; 475.73, subdivision 1; 477A.011, subdivision 15; 505.173, subdivision 1; Minnesota Statutes Second 1989 Supplement, sections 10A.31, subdivision 5; 60A.15, subdivision 1; 273.13, subdivision 25; 273.1391, subdivision 2; 273.1398, subdivision 1, 2, 5a, and 6; 274.14; 274.175; 275.07, subdivision 3; 275.50, subdivision 5; 275.51, subdivisions 3f, 3h, and 6; 287.29, subdivision 1; 290.17, subdivision 2; 290A.04, subdivisions 2h and 2i; 290A.07, subdivision 2a; 349.212, subdivision 4; 373.40, subdivision 1; 473F.08, subdivision 8a; 477A.012, subdivision 3; 477A.013, subdivision 3; Laws 1989, chapter 28, section 24; and Laws 1989, First Special Session chapter 1, articles 3, section 35; and 9, section 86; proposing coding for new law in Minnesota Statutes, chapters 270 and 289A; repealing Minnesota Statutes 1988, sections 270.08; 270.10, subdivision 4; 270.651; 272.70; 290.05, subdivision 5; 290.067, subdivision 5; 290.23, subdivision 15; 290.281, subdivision 5; 290.29; 290.37, as amended; 290.39, as amended; 290.391; 290.40; 290.41; 290.42; 290.43; 290.44; 290.45; 290.46; 290.47; 290.49; 290.50, as amended; 290.52; 290.521; 290.522; 290.523, as amended; 290.53, subdivisions 1, 1a, 2, 2a, 3, 3a, 4, 5, 7, 8, 9, 10, and 11; 290.54; 290.56; 290.57; 290.58; 290.59; 290.611, subdivision 5; 290.612; 290.65; 290.92, subdivisions 6, 7, 8, 11, 13, 14, 15, and 18; 290.9201, subdivisions 4, 5, 9, and 10; 290.923, subdivision 7; 290.93; 290.931; 290.932; 290.933; 290.934, as amended; 290.935; 290.936; 290.9705, subdivision 2; 290.974; 290A.06; 290A.11, subdivisions 1, 2, 3, and 4; 290A.111; 290A.112, as amended; 290A.12; 291.09; 291.11; 291.131; 291.14; 291.15, subdivisions 1 and 3; 291.215, subdivisions 2 and 3; 291.31, subdivisions 1 and 2; 291.32; 296.027; 296.16, subdivision 3; 296.17, subdivision 13; 296.18, subdivisions 3a and 7; 296.24; 297A.08; 297A.121; 297A.15, subdivision 3; 297A.26, subdivisions 1 and 4; 297A.27; 297A.275; 297A.29; 297A.30; 297A.31; 297A.32; 297A.33, subdivisions

1, 3, 4, and 5; 297A.34; 297A.35; 297A.37; 297A.39, subdivisions 1, 2, 2a, 3, 4, 5, 7, and 8; 297A.40; 297A.41, 297A.42; 297A.431; 297A.44, subdivision 2; Minnesota Statutes 1989 Supplement, sections 290A.11, subdivision 1a; and 297A.20; Minnesota Statutes Second 1989 Supplement, sections 270.77 and 290.38; Minnesota Rules, parts 8052.0100; 8052.0200; and 8130.7800.

Mr. Pogemiller moved to amend H.F. No. 2480, as amended pursuant to Rule 49, adopted by the Senate March 26, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 1653.)

Page 227, after line 24, insert:

“Sec. 5. Minnesota Statutes 1989 Supplement, section 124.26, subdivision 8, is amended to read:

Subd. 8. [ADULT BASIC EDUCATION LEVY.] To obtain adult basic education aid, a district may levy an amount not to exceed the amount raised by a ~~gross tax capacity rate of .16 percent times the adjusted gross tax capacity of the district for the preceding year for taxes payable in 1990~~ or a net tax capacity rate of ~~.20~~ .21 percent times the adjusted net tax capacity of the district for the preceding year for taxes payable in 1991 and thereafter.

Sec. 6. Minnesota Statutes 1989 Supplement, section 124.2713, subdivision 6, is amended to read:

Subd. 6. [COMMUNITY EDUCATION LEVY.] To obtain community education revenue, a district may levy the amount raised by a ~~gross tax capacity rate of 0.8 percent times the adjusted gross tax capacity of the district for taxes payable in 1990~~ or a net tax capacity rate of ~~1.0~~ 1.07 percent times the adjusted net tax capacity of the district for taxes payable in 1991 and thereafter. If the amount of the community education levy would exceed the community education revenue, the community education levy shall equal the community education revenue.

Sec. 7. Minnesota Statutes 1989 Supplement, section 124.2721, subdivision 3, is amended to read:

Subd. 3. [LEVY.] The education district levy is equal to the following:

(1) the education district revenue according to subdivision 2, times

(2) the lesser of

(a) one, or

(b) the ratio of the ~~adjusted gross tax capacity for taxes payable in 1990~~ and adjusted net tax capacity for taxes payable in 1991 and thereafter of the education district divided by the number of actual pupil units in the education district to an amount equal to \$60 divided by ~~1.5 percent for taxes payable in 1990~~ and ~~1.87~~ 2.24 percent for taxes payable in 1991 and thereafter.

The department of education shall allocate the levy amount proportionately among the member districts based on adjusted tax capacity. The member districts shall levy the amount allocated.

Sec. 8. Minnesota Statutes 1989 Supplement, section 124.575, subdivision 3, is amended to read:

Subd. 3. [LEVY.] The secondary vocational cooperative levy is equal to

the following:

(1) the secondary vocational cooperative revenue according to subdivision 2, times

(2) the lesser of

(a) one, or

(b) the ratio of the ~~adjusted gross tax capacity for taxes payable in 1990~~ and adjusted net tax capacity for taxes payable in 1991 and thereafter of the secondary vocational cooperative divided by the number of actual pupil units in the secondary vocational cooperative to an amount equal to \$20 divided by ~~.6 percent for taxes payable in 1990 and .74~~ .78 percent for taxes payable in 1991 and thereafter.

The department of education shall allocate the levy amount proportionately among the member districts based on adjusted tax capacity. The member districts shall levy the amount allocated.

Sec. 9. Minnesota Statutes Second 1989 Supplement, section 124.83, subdivision 4, is amended to read:

Subd. 4. [HEALTH AND SAFETY LEVY.] To receive health and safety revenue, a district may levy an amount equal to the district's health and safety revenue as defined in subdivision 3 multiplied by the lesser of one, or the ratio of:

(1) the quotient derived by dividing (a) the adjusted gross tax capacity for fiscal year 1991, and (b) the adjusted net tax capacity for 1992 and later fiscal years, of the district for the year preceding the year the levy is certified by the actual pupil units in the district for the school year to which the levy is attributable, to

(2) ~~\$7,128.10~~ \$7,103.60 for fiscal year 1991 and \$5,304 for 1992 and later fiscal years.

Sec. 10. Minnesota Statutes 1989 Supplement, section 136D.27, subdivision 1, is amended to read:

Subdivision 1. [LEVIES FOR CERTAIN PROGRAMS.] Each year the joint school board may certify to each participating school district tax levies that shall not in any year exceed the greater of:

(a) the amount of levy certified for taxes payable in 1989; or

(b) the lesser of (1) \$60 times the actual pupil units in the participating district for the fiscal year to which the levy is attributable, or (2) ~~4.4~~ 1.43 percent of adjusted ~~gross net~~ tax capacity. Each participating school district shall include these tax levies in the next tax roll which it shall certify to the county auditor or auditors, and shall remit the collections of such levies to the board promptly when received. These levies shall not be included in computing the limitations upon the levy of any participating district. The board may, any time after these levies have been certified to the participating school districts, issue and sell certificates of indebtedness in anticipation of the collection of such levies, but in aggregate amounts such as will not exceed the portion of the levies which is then not collected and not delinquent.

Five-elevenths of the proceeds of the levy must be used for special education and six-elevenths of the proceeds of the levy must be used for secondary vocational education.

Sec. 11. Minnesota Statutes 1989 Supplement, section 136D.74, subdivision 2, is amended to read:

Subd. 2. [TAX LEVY.] Each year the intermediate school board may certify to each county auditor of each county in which said intermediate school district shall lie, as a single taxing district, tax levies that shall not in any year exceed the greater of:

(a) the amount of levy certified for taxes payable in 1989; or

(b) the lesser of (1) \$60 times the actual pupil units in the participating district for the fiscal year to which the levy is attributable, or (2) ~~4.4~~ 1.43 percent of adjusted ~~gross net~~ tax capacity. Said annual tax levies shall be certified pursuant to section 275.07. Upon such certification the county auditor or auditors and other appropriate county officials shall levy and collect such levies and remit the proceeds of collection thereof to the intermediate school district as in the case with independent school districts. Such levies shall not be included in computing the limitations upon the levy of any of the participating districts.

Five-elevenths of the proceeds of the levy must be used for special education and six-elevenths of the proceeds of the levy must be used for secondary vocational education.

Sec. 12. Minnesota Statutes 1989 Supplement, section 136D.87, subdivision 1, is amended to read:

Subdivision 1. [LEVIES FOR CERTAIN PROGRAMS.] Each year the joint school board may certify to each participating school district tax levies that shall not in any year exceed the greater of:

(a) the amount of levy certified for taxes payable in 1989; or

(b) the lesser of (1) \$60 times the actual pupil units in the participating district for the fiscal year to which the levy is attributable, or (2) ~~4.4~~ 1.43 percent of adjusted ~~gross net~~ tax capacity. Each participating school district shall include these tax levies in the next tax roll which it shall certify to the county auditor or auditors and shall remit the collections of these levies to the board promptly when received. These levies shall not be included in computing the limitations upon the levy of any participating district. The board may, any time after these levies have been certified to the participating school districts, 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.

Five-elevenths of the proceeds of the levy must be used for special education and six-elevenths of the proceeds of the levy must be used for secondary vocational education."

Page 229, after line 2, insert:

"Sec. 16. Minnesota Statutes 1989 Supplement, section 275.125, subdivision 5c, is amended to read:

Subd. 5c. [NONREGULAR TRANSPORTATION LEVY.] A school district may also make a levy for unreimbursed nonregular transportation costs pursuant to this subdivision. The amount of the levy shall be the result of the following computation:

(a) multiply

(1) the amount of the district's nonregular transportation revenue under section 124.225, subdivision 7c, that is more than the product of \$30 times the district's actual pupil units, by

(2) 60 percent;

(b) subtract the result in clause (a) from the district's total nonregular transportation revenue;

(c) multiply the result in clause (b) by the lesser of one or the ratio of (i) the quotient derived by dividing the adjusted ~~gross 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 school year to which the levy is attributable, to (ii) ~~\$9,722~~ \$7,258.

Sec. 17. Minnesota Statutes 1989 Supplement, section 275.125, subdivision 6h, is amended to read:

Subd. 6h. [MINNEAPOLIS HEALTH INSURANCE SUBSIDY LEVY.] Each year special school district No. 1, Minneapolis, may make an additional levy not to exceed the amount raised by a ~~gross tax capacity rate of .08 percent times the adjusted gross tax capacity for taxes payable in 1990 or a net tax capacity rate of .11~~ .10 percent times the adjusted net tax capacity for taxes payable in 1991 and thereafter of the property in the district for the preceding year. The proceeds may be used only to subsidize health insurance costs for eligible teachers as provided in this section.

"Eligible teacher" means a retired teacher who was a basic member of the Minneapolis teachers retirement fund association, who retired before May 1, 1974, and who is not eligible to receive the hospital insurance benefits of the federal Medicare program of the Social Security Act without payment of a monthly premium. The district shall notify eligible teachers that a subsidy is available. To obtain a subsidy, an eligible teacher must submit to the school district a copy of receipts for health insurance premiums paid. The school district shall disburse the health insurance premium subsidy to each eligible teacher according to a schedule determined by the district, but at least annually. An eligible teacher may receive a subsidy up to an amount equal to the lesser of 90 percent of the cost of the eligible teacher's health insurance or up to 90 percent of the cost of the number two qualified plan of health coverage for individual policies made available by the Minnesota comprehensive health association under chapter 62E.

If funds remaining from the previous year's health insurance subsidy levy, minus the previous year's required subsidy amount, are sufficient to pay the estimated current year subsidy, the levy must be discontinued until the remaining funds are estimated by the school board to be insufficient to pay the subsidy.

Sec. 18. Minnesota Statutes 1989 Supplement, section 275.125, subdivision 8b, is amended to read:

Subd. 8b. [EARLY CHILDHOOD FAMILY EDUCATION LEVY.] A district may levy for its early childhood family education program. The amount levied shall not exceed the lesser of:

(a) a ~~gross tax capacity rate of .4 percent times the adjusted gross tax capacity for taxes payable in 1990 or a net tax capacity rate of .49~~ .54 percent times the adjusted net tax capacity for taxes payable in 1991 and thereafter of the district for the year preceding the year the levy is certified, or

(b) the maximum revenue as defined in section 124.2711, subdivision 1, for the school year for which the levy is attributable.

Sec. 19. Minnesota Statutes 1989 Supplement, section 275.125, subdivision 9a, is amended to read:

Subd. 9a. [STATUTORY OPERATING DEBT LEVY.] (1) In each year in which so required by this subdivision, a district shall make an additional levy to eliminate its statutory operating debt, determined as of June 30, 1977, and certified and adjusted by the commissioner. This levy shall not be made in more than 20 successive years and each year before it is made, it must be approved by the commissioner and the approval shall specify its amount. This levy shall be an amount which is equal to the amount raised by a levy of a ~~gross tax capacity rate of 1.20 percent times the adjusted gross tax capacity of the district for the preceding year for taxes payable in 1990~~ or a net tax capacity rate of ~~1.50~~ 1.66 percent times the adjusted net tax capacity of the district for the preceding year for taxes payable in 1991 and thereafter; provided that in the last year in which the district is required to make this levy, it shall levy an amount not to exceed the amount raised by a levy of a ~~gross tax capacity rate of 1.20 percent times the adjusted gross tax capacity of the district for the preceding year for taxes payable in 1990~~ or a net tax capacity rate of ~~1.50~~ 1.66 percent times the adjusted net tax capacity of the district for the preceding year for taxes payable in 1991 and thereafter. When the sum of the cumulative levies made pursuant to this subdivision and transfers made according to section 121.912, subdivision 4, equals an amount equal to the statutory operating debt of the district, the levy shall be discontinued.

(2) The district shall establish a special account in the general fund which shall be designated "appropriated fund balance reserve account for purposes of reducing statutory operating debt" on its books and records. This account shall reflect the levy authorized pursuant to this subdivision. The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

(3) Any district which is required to levy pursuant to this subdivision shall certify the maximum levy allowable under section 124A.23, subdivision 2, in that same year.

(4) Each district shall make permanent fund balance transfers so that the total statutory operating debt of the district is reflected in the general fund as of June 30, 1977.

Sec. 20. Minnesota Statutes 1989 Supplement, section 275.125, subdivision 9b, is amended to read:

Subd. 9b. [OPERATING DEBT LEVY.] (1) Each year, a district may make an additional levy to eliminate a deficit in the net unappropriated operating funds of the district, determined as of June 30, 1983, and certified and adjusted by the commissioner. This levy may in each year be an amount not to exceed the amount raised by a levy of a ~~gross tax capacity rate of 1.20 percent times the adjusted gross tax capacity for taxes payable in 1990~~ or a net tax capacity rate of ~~1.50~~ 1.85 percent times the adjusted net tax capacity for taxes payable in 1991 and thereafter of the district for the preceding year as determined by the commissioner. However, the total amount of this levy for all years it is made shall not exceed the lesser of (a) the amount of the deficit in the net unappropriated operating funds of

the district as of June 30, 1983, or (b) the amount of the aid reduction, according to Laws 1981, Third Special Session chapter 2, article 2, section 2, but excluding clauses (l), (m), (n), (o), and (p), and Laws 1982, Third Special Session chapter 1, article 3, section 6, to the district in fiscal year 1983. When the cumulative levies made pursuant to this subdivision equal the total amount permitted by this subdivision, the levy shall be discontinued.

(2) The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

(3) Any district that levies pursuant to this subdivision shall certify the maximum levy allowable under section 124A.23, subdivisions 2 and 2a, in that same year.

Sec. 21. Minnesota Statutes 1989 Supplement, section 275.125, subdivision 9c, is amended to read:

Subd. 9c. [1985 OPERATING DEBT LEVY.] (1) Each year, a district may levy to eliminate a deficit in the net unappropriated balance in the general fund of the district, determined as of June 30, 1985, and certified and adjusted by the commissioner. Each year this levy may be an amount not to exceed the amount raised by a levy of a ~~gross tax capacity rate of 1.20 percent times the adjusted gross tax capacity for taxes payable in 1990~~ or a net tax capacity rate of ~~1.50~~ 1.85 percent times the adjusted net tax capacity for taxes payable in 1991 and thereafter of the district for the preceding year. However, the total amount of this levy for all years it is made shall not exceed the amount of the deficit in the net unappropriated balance in the general fund of the district as of June 30, 1985. When the cumulative levies made pursuant to this subdivision equal the total amount permitted by this subdivision, the levy shall be discontinued.

(2) A district, if eligible, may levy under this subdivision or subdivision 9b but not both.

(3) The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

(4) Any district that levies pursuant to this subdivision shall certify the maximum levy allowable under section 124A.23, subdivision 2, in that same year."

Page 242, after line 6, insert:

"Sec. 40. Laws 1984, chapter 463, article 6, section 15, subdivision 1, as amended by Laws 1987, chapter 398, article 6, section 16, is amended to read:

Subdivision 1. [AUTHORIZATION.] In 1985 and each year thereafter, the newly created district formed by the consolidation of Independent School District No. 694, Buhl, and Independent School District No. 703, Mountain Iron, may make an additional levy to eliminate a deficit in the net unappropriated operating funds of the newly created district, determined as of June 30, 1985, and certified and adjusted by the commissioner. This levy each year may be an amount not to exceed ~~4.0 mills~~ 4.21 percent times the adjusted ~~assessed valuation~~ net tax capacity of the newly created district for the preceding year as determined by the equalization aid review committee. When the cumulative amount of the levies made pursuant to this subdivision equals the total amount of the certified deficit of the newly

created district, the levy shall be discontinued.

Sec. 41. Laws 1965, chapter 705, as amended by Laws 1975, chapter 261, section 4, Laws 1980, chapter 609, article 6, section 37, and Laws 1989, chapter 329, article 13, section 18, is amended to read:

Sec. 6. The school board, for the purpose of providing moneys for the payment of its severance pay obligations under a plan approved by resolution of the district, in addition to all other powers possessed by the school district and in addition to and in excess of any existing limitation upon the amount it is otherwise authorized by law to levy as taxes, is authorized to levy taxes annually not exceeding in any one year an amount equal to a ~~gross tax capacity rate of .17 percent for taxes payable in 1990 or a net tax capacity rate of .21~~ .22 percent for taxes payable in 1991 and thereafter upon all taxable property within the school district which taxes as levied shall be spread upon the tax rolls, and all corrections thereof shall be held by the school district, and allocated therefor to be disbursed and expended by the school district in payment of any public school severance pay obligations and for no other purpose. Disbursements and expenditures previously authorized on behalf of the school district for payment of severance pay obligations shall not be deemed to constitute any part of the cost of the operation and maintenance of the school district within the meaning of any statutory limitation of any school district expenditures.

The amount of such severance pay allowable or to become payable in respect of any such employment or to any such employee shall not exceed the amount permitted by Minnesota Statutes, Section 465.72."

Page 242, line 8, delete "23" and insert "37"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Pogemiller then moved to amend H.F. No. 2480, as amended pursuant to Rule 49, adopted by the Senate March 26, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 1653.)

Page 83, lines 28 and 29, delete "290.9201, subdivisions 4, 5, 9, and 10;"

Page 83, lines 31 and 32, delete "290.9705, subdivision 2;"

Page 84, line 5, after "sections" insert "290.9201, subdivisions 4, 5, 9, and 10; 290.9705, subdivision 2;"

The motion prevailed. So the amendment was adopted.

Mr. Anderson moved to amend H.F. No. 2480, as amended pursuant to Rule 49, adopted by the Senate March 26, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 1653.)

Page 132, after line 28, insert:

"Sec. 9. Minnesota Statutes 1988, section 297A.26, is amended by adding a subdivision to read:

Subd. 5. A taxpayer may deduct from the taxes payable to the commissioner the cost of postage required to pay the tax and file a return under

this section and section 297A.27, or under section 297A.275. This deduction does not apply if postage paid remittance envelopes are made available to taxpayers by the commissioner of revenue at no postage charge.”

Page 133, line 35, delete “9” and insert “8 and 10”

Page 133, line 36, after the period, insert “Section 9 is effective for taxes paid after June 30, 1990.”

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 35, after the first semicolon, insert “297A.26, by adding a subdivision;”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 29 and nays 31, as follows:

Those who voted in the affirmative were:

Anderson	Decker	Knaak	McQuaid	Purfeerst
Beckman	Frederick	Knutson	Mehrkens	Ramstad
Belanger	Frederickson, D.I.	Laidig	Metzen	Renneke
Benson	Frederickson, D.R.	Larson	Olson	Storm
Bernhagen	Gustafson	Lessard	Pariseau	Vickerman
Brataas	Johnson, D.E.	McGowan	Piepho	

Those who voted in the negative were:

Adkins	Davis	Langseth	Pehler	Spear
Berg	Dicklich	Lantry	Peterson, R. W.	Stumpf
Berglin	Diessner	Luther	Piper	Waldorf
Bertram	Flynn	Marty	Pogemiller	
Brandl	Frank	Merriam	Reichgott	
Chmielewski	Johnson, D.J.	Morse	Samuelson	
Cohen	Kroening	Novak	Schmitz	

The motion did not prevail. So the amendment was not adopted.

Mr. Cohen moved to amend H.F. No. 2480, as amended pursuant to Rule 49, adopted by the Senate March 26, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 1653.)

Page 128, line 7, delete the new language

Page 128, delete line 8

Page 128, line 9, delete the new language

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 33, as follows:

Those who voted in the affirmative were:

Anderson	Cohen	Laidig	Mehrkens	Piepho
Beckman	Decker	Langseth	Merriam	Purfeerst
Belanger	Frank	Larson	Moe, D.M.	Renneke
Benson	Frederick	Marty	Morse	Spear
Berg	Johnson, D.E.	McGowan	Olson	Storm
Bernhagen	Knaak	McQuaid	Pariseau	Vickerman

Those who voted in the negative were:

Adkins	Dicklich	Hughes	Novak	Samuelson
Berglin	Diessner	Johnson, D.J.	Pehler	Schmitz
Bertram	Flynn	Kroening	Peterson, R. W.	Solon
Brandl	Frederickson, D.J.	Lantry	Piper	Stumpf
Brataas	Frederickson, D.R.	Lessard	Pogemiller	Waldorf
Dahl	Freeman	Luther	Ramstad	
Davis	Gustafson	Metzen	Reichgott	

The motion did not prevail. So the amendment was not adopted.

Mr. Peterson, R. W. moved to amend H.F. No. 2480, as amended pursuant to Rule 49, adopted by the Senate March 26, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 1653.)

Page 209, delete lines 18 to 21

Page 209, line 22, delete the new language and strike "the"

Page 209, strike lines 23 to 26

Page 209, line 27, strike "board. The application must include a" and delete the new language

Page 209, delete line 28

Page 209, strike lines 29 to 33

Page 211, line 4, delete "Id" and insert "Ic"

Re-number the subdivisions in sequence

Page 217, line 31, delete "Ie" and insert "Id"

The motion did not prevail. So the amendment was not adopted.

Mr. Frederickson, D.R. moved to amend H.F. No. 2480, as amended pursuant to Rule 49, adopted by the Senate March 26, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 1653.)

Page 128, line 7, after "except" insert "(1)"

Page 128, line 9, after "league" insert "or (2) the 1992 Minnesota high school football prep bowl"

The motion prevailed. So the amendment was adopted.

H.F. No. 2480 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Decker	Knaak	Moe, R.D.	Reichgott
Beckman	Dicklich	Laidig	Morse	Renneke
Belanger	Diessner	Lantry	Novak	Samuelson
Benson	Flynn	Lessard	Oison	Schmitz
Berg	Frank	Luther	Pariseau	Solon
Berglin	Frederick	Marty	Pehler	Spear
Bernhagen	Frederickson, D.J.	McGowan	Peterson, R. W.	Storm
Bertram	Frederickson, D.R.	McQuaid	Piepho	Stumpf
Brataas	Freeman	Mehrrens	Piper	Vickerman
Cohen	Hughes	Merriam	Pogemiller	Waldorf
Dahl	Johnson, D.E.	Metzen	Purfeerst	
Davis	Johnson, D.J.	Moe, D.M.	Ramstad	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2236 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2236: A bill for an act relating to the environment; defining facility and employer for purposes of infectious and pathological waste regulations; clarifying persons subject to infectious and pathological waste requirements; restricting local regulation of certain incineration facilities; amending Minnesota Statutes 1989 Supplement, sections 116.76, subdivision 8, and by adding a subdivision; 116.77; and 116.82, by adding a subdivision.

Mr. Dahl moved to amend S.F. No. 2236 as follows:

Page 2, delete section 4

Amend the title as follows:

Page 1, delete line 6

Page 1, line 7, delete "facilities;"

Page 1, line 9, after "subdivision;" insert "and" and delete "; and 116.82, by adding a"

Page 1, line 10, delete "subdivision"

The motion prevailed. So the amendment was adopted.

S.F. No. 2236 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Knaak	Metzen	Reichgott
Anderson	Davis	Laidig	Moe, R.D.	Renneke
Beckman	Decker	Langseth	Morse	Samuelson
Belanger	Diessner	Lantry	Novak	Spear
Benson	Frank	Larson	Olson	Storm
Berg	Frederick	Lessard	Pariseau	Stumpf
Berglin	Frederickson, D.J.	Luther	Pehler	Vickerman
Bernhagen	Frederickson, D.R.	Marty	Peterson, R.W.	Waldorf
Bertram	Freeman	McGowan	Piepho	
Brandl	Gustafson	McQuaid	Piper	
Brataas	Hughes	Mehrkens	Pogemiller	
Cohen	Johnson, D.J.	Merriam	Ramstad	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1104 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1104: A bill for an act relating to probate; adopting the uniform anatomical gift act (1987); correcting cross-references; amending Minnesota Statutes 1988, sections 65B.44, subdivision 4; 171.07, subdivision 5;

390.36; and 525.921, subdivisions 1, 4, 5, 8, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 525; repealing Minnesota Statutes 1988, sections 525.921, subdivision 2; and 525.922 to 525.94, as amended.

Mr. Laidig moved to amend S.F. No. 1104 as follows:

Page 3, line 8, delete everything after the period

Page 3, delete lines 9 to 18

CALL OF THE SENATE

Mr. Waldorf imposed a call of the Senate for the balance of the proceedings on S.F. No. 1104. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Laidig amendment.

The roll was called, and there were yeas 32 and nays 30, as follows:

Those who voted in the affirmative were:

Belanger	Dicklich	Knaak	Morse	Reichgott
Benson	Diessner	Laidig	Novak	Solon
Berg	Flynn	Larson	Pariseau	Spear
Berglin	Frederick	Luther	Peterson, R.W.	Storm
Brataas	Frederickson, D.J.	Marty	Piper	
Cohen	Freeman	Mehrkens	Pogemiller	
Decker	Gustafson	Moe, R.D.	Ramstad	

Those who voted in the negative were:

Adkins	Chmielewski	Johnson, D.E.	McGowan	Renneke
Anderson	Dahl	Johnson, D.J.	McQuaid	Samuelson
Beckman	Davis	Kroening	Merriam	Schmitz
Bernhagen	Frank	Langseth	Metzen	Stumpf
Bertram	Frederickson, D.R.	Lantry	Pehler	Vickerman
Brandl	Hughes	Lessard	Piepho	Waldorf

The motion prevailed. So the amendment was adopted.

S.F. No. 1104 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Mehrkens	Pogemiller
Anderson	Davis	Johnson, D.J.	Merriam	Ramstad
Beckman	Decker	Knaak	Metzen	Reichgott
Belanger	Dicklich	Kroening	Moe, D.M.	Renneke
Benson	Diessner	Laidig	Moe, R.D.	Samuelson
Berg	Flynn	Langseth	Morse	Schmitz
Berglin	Frank	Lantry	Novak	Solon
Bernhagen	Frederick	Larson	Olson	Spear
Bertram	Frederickson, D.J.	Lessard	Pariseau	Storm
Brandl	Frederickson, D.R.	Luther	Pehler	Stumpf
Brataas	Freeman	Marty	Peterson, R.W.	Vickerman
Chmielewski	Gustafson	McGowan	Piepho	
Cohen	Hughes	McQuaid	Piper	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2457 a Special Order to be heard

immediately.

SPECIAL ORDER

H.F. No. 2457: A bill for an act relating to public financing; allocating authority to issue tax exempt revenue bonds; restricting loans from proceeds of mortgage revenue bonds under certain circumstances; amending Minnesota Statutes 1988, sections 474A.02, subdivisions 6, 8, and by adding a subdivision; 474A.03; 474A.061, subdivision 3, and by adding subdivisions; 474A.091, subdivisions 1, 4, and 5; 474A.131, subdivision 2; and 474A.14; Minnesota Statutes 1989 Supplement, section 290.01, subdivision 19a; Minnesota Statutes Second 1989 Supplement, sections 474A.061, subdivisions 1 and 4; and 474A.091, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 474A; repealing Minnesota Statutes 1988, sections 474A.081, subdivisions 1, 2, and 4; and 474A.091, subdivision 4a; Minnesota Statutes Second 1989 Supplement, section 474A.061, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Mehrkens	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	Diessner	Kroening	Moe, D.M.	Renneke
Belanger	Flynn	Laidig	Moe, R.D.	Samuelson
Benson	Frank	Langseth	Morse	Schmitz
Berglin	Frederick	Lantry	Olson	Spear
Bernhagen	Frederickson, D.J.	Larson	Pariseau	Storm
Bertram	Frederickson, D.R.	Lessard	Pehler	Stumpf
Brandl	Freeman	Luther	Peterson, R.W.	Vickerman
Brataas	Gustafson	Marty	Piepho	Waldorf
Cohen	Hughes	McGowan	Piper	
Dahl	Johnson, D.E.	McQuaid	Pogemiller	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2350 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2350: A bill for an act relating to natural resources; authorizing the commissioner to designate agents to sell state park permits; amending Minnesota Statutes 1988, section 85.053, subdivision 1.

Mr. Dicklich moved to amend H.F. No. 2350 as follows:

Page 2, after line 8, insert:

“Sec. 2. Minnesota Statutes 1988, section 93.49, is amended to read:
93.49 ~~[BOND FINANCIAL ASSURANCE OF OPERATOR.]~~

The commissioner shall require a bond or other security or *other financial* assurance satisfactory to the commissioner from an operator. ~~who (a) fails to take reclamation measures set forth in the permit or any amendment thereto; (b) fails to comply with rules promulgated by the commissioner pursuant to section 93.47; or (c) fails to perform research which may be~~

agreed upon by the permittee and the commissioner or required by sections 93.44 to 93.51, in regard to reclamation of mining areas under the control of the operator. The commissioner also may require a bond, security, or other assurance from an operator if the commissioner has reasonable doubts as to the operator's financial ability to comply with the rules relative to actions required to be taken after the completion of such mining operations or any phase thereof. The commissioner shall review annually the need for and extent of each operator's bond financial assurance under this section."

Re-number the sections in sequence

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 2350 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	Dicklich	Knutson	Moe, D.M.	Renneke
Belanger	Diessner	Kroening	Moe, R.D.	Samuelson
Benson	Flynn	Laidig	Morse	Schnitz
Berglin	Frank	Langseth	Novak	Solon
Bernhagen	Frederick	Lantry	Olson	Spear
Bertram	Frederickson, D.J.	Larson	Pariseau	Storm
Brandl	Frederickson, D.R.	Lessard	Pehler	Stumpf
Brataas	Freeman	Luther	Peterson, R.W.	Vickerman
Chmielewski	Gustafson	Marty	Piepho	Waldorf
Cohen	Hughes	McGowan	Piper	
Dahl	Johnson, D.E.	McQuaid	Pogemiller	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1790 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1790: A bill for an act relating to health; establishing a legislative task force to study the regulation of health insurance premium rates and health care costs.

Mr. Solon moved to amend S.F. No. 1790 as follows:

Page 1, delete lines 8 to 23

Page 1, line 24, delete "Subd. 2." and insert "Subdivision 1."

Page 2, line 7, delete "3" and insert "2"

Page 2, line 9, delete "4" and insert "3"

Page 2, line 11, delete "5" and insert "4"

Page 3, line 19, delete "6" and insert "5"

The motion prevailed. So the amendment was adopted.

Mr. Solon then moved to amend S.F. No. 1790 as follows:

Page 3, after line 18, insert:

“(g) The legislative task force shall study provider charges to determine why the charges increase at rates in excess of the general rate of inflation.”

The motion prevailed. So the amendment was adopted.

Mr. Bernhagen moved to amend S.F. No. 1790 as follows:

Page 3, after line 18, insert:

“(g) The legislative task force shall study the procedures used by medical care providers for billing recipients of medical care when payment is to be made by a third-party payor.”

The motion prevailed. So the amendment was adopted.

S.F. No. 1790 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Mehrkens	Pogemiller
Anderson	Davis	Knaak	Merriam	Purfeerst
Beckman	Decker	Knutson	Metzen	Ramstad
Belanger	Diessner	Kroening	Moe, D.M.	Reichgott
Benson	Flynn	Laidig	Moe, R.D.	Renneke
Berg	Frank	Langseth	Morse	Samuelson
Berglin	Frederick	Lantry	Novak	Schmitz
Bernhagen	Frederickson, D.J.	Larson	Olson	Solon
Bertram	Frederickson, D.R.	Lessard	Pariseau	Spear
Brandl	Freeman	Luther	Pehler	Storm
Brataas	Gustafson	Marty	Peterson, R.W.	Stumpf
Chmielewski	Hughes	McGowan	Piepho	Vickerman
Cohen	Johnson, D.E.	McQuaid	Piper	Waldorf

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2195 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2195: A bill for an act relating to waste; prohibiting certain types of low-level radioactive waste from being disposed of at other than licensed facilities; providing for a task force on radioactive waste deregulation; proposing coding for new law in Minnesota Statutes, chapter 116C.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Mehrkens	Ramstad
Anderson	Davis	Knaak	Merriam	Renneke
Beckman	Decker	Knutson	Metzen	Samuelson
Belanger	Dicklich	Kroening	Moe, D.M.	Schmitz
Benson	Diessner	Laidig	Moe, R.D.	Solon
Berg	Flynn	Langseth	Morse	Spear
Berglin	Frank	Lantry	Novak	Storm
Bernhagen	Frederick	Larson	Olson	Stumpf
Bertram	Frederickson, D.R.	Lessard	Pariseau	Vickerman
Brandl	Freeman	Luther	Pehler	Waldorf
Brataas	Gustafson	Marty	Peterson, R. W.	
Chmielewski	Hughes	McGowan	Piepho	
Cohen	Johnson, D.E.	McQuaid	Purfeerst	

So the bill passed and its title was agreed to.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Messages From the House.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 2618: A bill for an act relating to public administration; appropriating money or reducing appropriations to the higher education coordinating board, regents of the University of Minnesota, state university board, state board for community colleges, and state board of vocational technical education, with certain conditions; excepting notification of committee chairs on certain capital projects; establishing a community college at Cambridge; clarifying the duties and powers of the higher education coordinating board; authorizing tuition reciprocity agreements with contiguous Canadian provinces; establishing a state matching grant program to match private gifts to endowment funds; requiring administrative service plans for technical colleges under certain circumstances; changing permitted kinds of investments for the permanent university fund; permitting capital gains of the fund to be used to support endowed academic chairs; authorizing the purchase of a certain building by the state university board; requiring development of a consumer information system for occupational programs; regulating public post-secondary plans; requiring reports; adjusting contributions to state system retirement plans; amending Minnesota Statutes 1988, sections 136.60; 136.602; 136C.05, by adding a subdivision; 137.022, subdivisions 1 and 3; 352.92, subdivision 2; 352B.02, subdivision 1c; 353.27, subdivision 3a; and 354.42, subdivision 5; Minnesota Statutes 1989 Supplement, sections 16B.335, subdivision 2; 136A.04; 136A.08; 352.04, subdivisions 2 and 3; and 354B.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 136A; repealing Minnesota Statutes 1988, section 353.27, subdivision 3.

Senate File No. 2618 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 29, 1990

Mr. Waldorf moved that the Senate do not concur in the amendments by

the House to S.F. No. 2618, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bill was read the first time.

Mr. Merriam, for the Committee on Finance, introduced—

S.F. No. 2621: A bill for an act relating to the organization and operation of state government; appropriating money for human services and health and other purposes with certain conditions; amending Minnesota Statutes 1988, sections 13.46, subdivision 5; 144A.073, by adding a subdivision; 245A.07, subdivision 3; 245A.08, subdivision 3; 245A.16, subdivision 4; 254B.04, subdivision 1; 254B.08; 256.736, subdivision 3a; 256.936, by adding a subdivision; 256B.04, subdivisions 15 and 16; 256B.055, subdivisions 3, 5, 6, and 12; 256B.056, subdivisions 2 and 7, and by adding a subdivision; 256B.0625, subdivisions 4, 5, 9, and by adding subdivisions; 256B.091, subdivisions 4 and 6; 256B.092, subdivisions 1a and 1b, and by adding subdivisions; 256B.15; 256B.19, by adding a subdivision; 256B.431, subdivision 3e, and by adding subdivisions; 256B.48, subdivision 2, and by adding a subdivision; 256B.49, by adding a subdivision; 256B.50, subdivisions 1 and 1b; 256B.501, subdivision 3e, and by adding a subdivision; 256B.69, subdivision 3; 256D.03, subdivision 7; 256E.06, subdivisions 2 and 7; 256H.01, by adding subdivisions; 518.171, subdivisions 1, 3, 4, and 7; 518.54, by adding subdivisions; 518.551, subdivisions 1 and 5; 518.611, subdivisions 1, 2, 8, and 8a, and by adding a subdivision; 518C.02, by adding subdivisions; 518C.03; 518C.05; 518C.09; 518C.12; and 518C.27, subdivision 1; Minnesota Statutes 1988, section 252.27, as amended by Laws 1989, chapter 282, article 2, section 92; Minnesota Statutes 1989 Supplement, sections 144.50, subdivision 6; 245.470, subdivision 1; 245.488, subdivision 1; 245A.02, subdivision 6a; 245A.03, subdivision 2; 245A.04, subdivisions 3, 3a, and 3b; 245A.12; 245A.13; 245A.16, subdivision 1; 252.46, subdivisions 1, 2, 3, 4, and 12; 254B.03, subdivision 4; 256.736, subdivision 16; 256.74, subdivision 1; 256.936, subdivision 1; 256.969, subdivisions 2c and 6a; 256.9695, subdivisions 1 and 3; 256B.055, subdivision 7; 256B.056, subdivisions 3 and 4; 256B.057, subdivisions 1 and 2, and by adding subdivisions; 256B.0575; 256B.059, subdivisions 4 and 5; 256B.0595, subdivisions 1, 2, and 4; 256B.0625, subdivision 13; 256B.091, subdivision 8; 256B.14; 256B.431, subdivision 2b; 256B.495, subdivision 1; 256B.69, subdivision 16; 256D.03, subdivisions 3, 4, and 6; 256D.425, subdivision 3; 256H.03, subdivisions 2, 2a, and 2b; 256H.05, subdivisions 1b, 1c, 2, and 5; 256H.08; 256H.15, subdivisions 1 and 2; 256I.05, subdivisions 1 and 7; 257.57, subdivision 1; 518.551, subdivision 10; 518.611, subdivision 4; and 518.613, subdivision 2; Laws 1988, chapter 689, article 2, section 256; Laws 1989, chapter 282, article 3, section 98, subdivisions 4 and 5; proposing coding for new law in Minnesota Statutes, chapters 60A; 144; 245A; 252; 254A; 256; and 256B; repealing Minnesota Statutes 1988, sections 256.736, subdivision 8; 256B.0625, subdivision 2; 256B.431, subdivisions 3, 3b, 3c,

and 3d; and 256B.50, subdivision 2; Minnesota Statutes 1989 Supplement, sections 256.736, subdivision 15; 256B.055, subdivision 8; and 256B.431, subdivisions 3a and 3f.

Under the rules of the Senate, laid over one day.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

APPOINTMENTS

Mr. Moe, R.D. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H.F. No. 2056: Messrs. Langseth, Stumpf and Frederickson, D.J.

H.F. No. 1928: Messrs. Dicklich, Marty and McGowan.

H.F. No. 1960: Messrs. Berg, Lessard and Frederickson, D.R.

H.F. No. 1981: Messrs. Stumpf, Belanger and Langseth.

H.F. No. 1913: Messrs. Solon, Spear, Metzen, Larson and Dahl.

H.F. No. 2500: Messrs. Solon, Anderson and Freeman.

H.F. No. 1952: Messrs. Marty, Spear and Belanger.

H.F. No. 796: Messrs. Chmielewski, Gustafson and Merriam.

H.F. No. 1927: Messrs. Chmielewski, Renneke and Spear.

H.F. No. 2135: Messrs. Novak, Frank and Merriam.

S.F. No. 2618: Messrs. Waldorf; Hughes; Johnson, D.E.; Dicklich and Mrs. Brataas.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

CONFIRMATION

Mr. Pehler moved that the reports from the Committee on Education, reported March 21, 1990, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Pehler moved that the foregoing reports be now adopted. The motion prevailed.

Mr. Pehler moved that in accordance with the reports from the Committee on Education, reported March 21, 1990, the Senate, having given its advice, do now consent to and confirm the appointments of:

BOARD OF THE MINNESOTA CENTER FOR ARTS EDUCATION

Philip Brunelle, 4211 Glencrest Rd., Golden Valley, Hennepin County, effective June 27, 1989, for a term expiring the first Monday in January,

1991.

Joe Duffy, 4208 W. 44th St., Edina, Hennepin County, effective December 4, 1989, for a term expiring the first Monday in January, 1991.

William Jones, 4900 Prescott Cir., Edina, Hennepin County, effective June 27, 1989, for a term expiring the first Monday in January, 1991.

Garland Wright, 1807 Dupont Ave. S., Minneapolis, Hennepin County, effective August 18, 1989, for a term expiring the first Monday in January, 1991.

DEPARTMENT OF EDUCATION COMMISSIONER

Tom Nelson, 15204 Portland Ave. S., Burnsville, Dakota County, effective January 8, 1990, for a term expiring the first Monday in January, 1991.

MINNESOTA HIGHER EDUCATION COORDINATING BOARD

Mark Bergmann, 716 W. Broadway, Winona, Winona County, effective January 24, 1990, for a term expiring the first Monday in January, 1992.

Marilyn Bryant, 17819 Maple Hill Rd., Wayzata, Hennepin County, effective October 15, 1989, for a term expiring the first Monday in January, 1993.

Paul Day, 1790 Carl St., St. Paul, Ramsey County, effective June 27, 1989, for a term expiring the first Monday in January, 1992.

Roger Nierengarten, 844 N. 1st St., Sartell, Stearns County, effective October 2, 1989, for a term expiring the first Monday in January, 1991.

Duane Scribner, 49 Arthur Ave. S.E., Minneapolis, Hennepin County, effective January 24, 1990, for a term expiring the first Monday in January, 1996.

MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY

Jack Amundson, 2005 S. 14th St., St. Cloud, Stearns County, effective January 16, 1990, for a term expiring the first Monday in January, 1994.

Carol Blomberg, Rt. 1, Box 95A, Nashwauk, Itasca County, effective January 16, 1990, for a term expiring the first Monday in January, 1994.

STATE BOARD FOR COMMUNITY COLLEGES

James B. Collier, 604 S.E. 24th St., Willmar, Kandiyohi County, effective January 24, 1990, for a term expiring the first Monday in January, 1994.

Pierre Mattei, 823 - 5th Ave. S.W., Grand Rapids, Itasca County, effective January 24, 1990, for a term expiring the first Monday in January, 1994.

STATE BOARD OF EDUCATION

Erling O. Johnson, 832 Eastwood Ln., Anoka, Anoka County, effective January 30, 1990, for a term expiring the first Monday in January, 1994.

Alan T. Zdon, 3825 - 3rd Ave. E., Hibbing, St. Louis County, effective January 30, 1990, for a term expiring the first Monday in January, 1994.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Messages From the House and First Reading of House Bills.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 1839.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 29, 1990

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 1839: A bill for an act relating to employment; raising the minimum wage; amending Minnesota Statutes 1988, sections 177.23, subdivision 7; 177.24, subdivisions 1 and 2 and by adding a subdivision.

SUSPENSION OF RULES

Mr. Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 1839 and that the rules of the Senate be so far suspended as to give H.F. No. 1839 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 1839 was read the second time.

Mrs. Adkins moved to amend H.F. No. 1839 as follows:

Page 4, after line 32, insert:

“(d) Notwithstanding paragraph (b) or (c) to the contrary, the minimum hourly wage for employees who receive an average of \$25 or more per week in gratuities in a pay period shall be as follows:

(1) every large employer must pay each such adult employee wages at a rate of at least \$3.95 an hour beginning January 1, 1991; and each such minor employee wages at a rate of at least \$3.56 an hour beginning January 1, 1991;

(2) every small employer must pay each such adult employee wages at a rate of at least \$3.80 an hour beginning January 1, 1991; and each such minor employee wages at a rate of at least \$3.42 an hour beginning January 1, 1991.

This paragraph is effective until January 1, 1992.”

The motion did not prevail. So the amendment was not adopted.

CALL OF THE SENATE

Mrs. Lantry imposed a call of the Senate for the balance of the proceedings on H.F. No. 1839. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Knaak moved to amend H.F. No. 1839 as follows:

Page 3, line 32, delete "\$362,500" and insert "\$500,000"

Page 4, line 1, delete "\$362,500" and insert "\$500,000"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Brandl	Johnson, D.E.	Mehrkens	Schmitz
Beckman	Brataas	Knaak	Morse	Storm
Belanger	Chmielewski	Knutson	Olson	Vickerman
Benson	Decker	Laidig	Pariseau	
Berg	Frederick	Larson	Piepho	
Bernhagen	Frederickson, D.R.	McGowan	Ramstad	
Bertram	Gustafson	McQuaid	Renneke	

Those who voted in the negative were:

Adkins	Flynn	Langseth	Moe, D.M.	Reichgott
Berglin	Frank	Lantry	Moe, R.D.	Samuelson
Cohen	Frederickson, D.J.	Lessard	Novak	Solon
Dahl	Freeman	Luther	Pehler	Spear
Davis	Hughes	Marty	Peterson, R. W.	Stumpf
Dicklich	Johnson, D.J.	Merriam	Piper	Waldorf
Diessner	Kroening	Metzen	Pogemiller	

The motion did not prevail. So the amendment was not adopted.

H.F. No. 1839 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 47 and nays 17, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kroening	Metzen	Reichgott
Beckman	Flynn	Laidig	Moe, D.M.	Samuelson
Berglin	Frank	Langseth	Moe, R.D.	Solon
Bertram	Frederickson, D.J.	Lantry	Morse	Spear
Brandl	Frederickson, D.R.	Lessard	Novak	Stumpf
Brataas	Freeman	Luther	Pehler	Vickerman
Chmielewski	Gustafson	Marty	Peterson, R. W.	Waldorf
Cohen	Hughes	McQuaid	Piepho	
Dahl	Johnson, D.E.	Mehrkens	Piper	
Davis	Johnson, D.J.	Merriam	Pogemiller	

Those who voted in the negative were:

Anderson	Bernhagen	Knutson	Pariseau	Storm
Belanger	Decker	Larson	Ramstad	
Benson	Frederick	McGowan	Renneke	
Berg	Knaak	Olson	Schmitz	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mrs. Lantry moved that S.F. No. 1769, No. 20 on Special Orders, be stricken and laid on the table. The motion prevailed.

MEMBERS EXCUSED

Mr. DeCramer was excused from the Session of today. Mr. Purfeerst was excused from the Session of today at 6:00 p.m. Mr. Hughes was excused from the Session of today from 1:30 to 3:20 p.m. Mr. Lessard was excused from the Session of today from 2:30 to 2:45 p.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Friday, March 30, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

EIGHTY-FIRST DAY

St. Paul, Minnesota, Friday, March 30, 1990

The Senate met at 12:00 noon and was called to order by the President.

CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Larry Shostrom.

The roll was called, and the following Senators answered to their names:

Adkins	Davis	Knaak	Metzen	Reichgott
Anderson	Decker	Knutson	Moe, D.M.	Renneke
Beckman	Dicklich	Kroening	Moe, R.D.	Samuelson
Belanger	Diessner	Laidig	Morse	Schmitz
Benson	Flynn	Langseth	Novak	Solon
Berg	Frank	Lantry	Olson	Spear
Berglin	Frederick	Larson	Pariseau	Storm
Bernhagen	Frederickson, D.J.	Lessard	Pehler	Stumpf
Bertram	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brandl	Freeman	Marty	Piepho	Waldorf
Brataas	Gustafson	McGowan	Piper	
Chmielewski	Hughes	McQuaid	Pogemiller	
Cohen	Johnson, D.E.	Mehrkens	Purfeerst	
Dahl	Johnson, D.J.	Merriam	Ramstad	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received.

March 28, 1990

The Honorable Robert E. Vanasek
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 1990 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 1990	Date Filed 1990
	1895	360	1553 hours March 27	March 28
	2188	361	1555 hours March 27	March 28

Sincerely,

Joan Anderson Growe
Secretary of State

March 29, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 1663 and 2353.

Sincerely,

Rudy Perpich, Governor

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 2355 and 2541.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 29, 1990

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 2299: A bill for an act relating to agriculture; establishing the Minnesota natural wild rice promotion advisory council; proposing coding for new law in Minnesota Statutes, chapter 30.

Senate File No. 2299 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 29, 1990

Mr. Dicklich moved that the Senate do not concur in the amendments by the House to S.F. No. 2299, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 2421: A bill for an act relating to elections; presidential primary; changing the primary date; providing procedures for conducting the primary; changing the requirements for being a candidate at the primary; allowing voters to prefer uncommitted delegates; allowing write-in votes; providing for voter receipt of ballots; eliminating the provision that the primary winner is the party's endorsed candidate; changing the apportionment of party delegates; requiring provision of certain information to interested persons; amending Minnesota Statutes 1988, sections 204B.06, by adding a subdivision; 204B.11, subdivision 2; Minnesota Statutes 1989 Supplement, sections 207A.01; 207A.02; 207A.03; 207A.04; and 207A.06, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 207A; repealing Minnesota Statutes 1989 Supplement, section 207A.05.

Senate File No. 2421 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 29, 1990

Mr. Moe, R.D. moved that S.F. No. 2421 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 2365 and 2666.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 29, 1990

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 2365: A bill for an act relating to the collection and dissemination of data; proposing classifications of data as private and nonpublic; clarifying access to data on decedents; changing classification nomenclature as it relates to medical examiner's data; amending Minnesota Statutes 1988, sections 13.03, subdivision 3; 13.10, subdivision 3; 13.41, subdivision 2; 13.46, subdivision 4; 13.83, subdivisions 4, 5, 7, and 9; Minnesota Statutes 1989 Supplement, sections 13.46, subdivision 2; 13.83, subdivision 8; 13.84, subdivision 5a; 171.06, subdivision 3; 270B.14, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 13; repealing Minnesota Statutes 1988, section 13.641.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2200, now on Special Orders.

H.F. No. 2666: A bill for an act relating to elections; limiting campaign

expenditures by congressional candidates who choose to receive a public subsidy for their campaigns; limiting certain contribution receipts by congressional candidates; clarifying and modifying certain exceptions to multicandidate political party expenditure limitations; modifying lobbyist reporting requirements; expanding certain reports by certain political committees and political funds; discontinuing the state ethical practices board's responsibility for developing and furnishing certain forms; providing an income tax credit for contributions to state candidates and political parties; limiting contributions and solicitations during a regular legislative session; providing a public subsidy for legislative candidates in special elections; requiring candidates to match funds received from the state elections campaign fund; requiring deer licenses to include an application for absentee ballots; requiring county auditors to provide a sample ballot for classroom use; specifying a time period for preparing a candidate's affidavit; providing penalties; amending Minnesota Statutes 1988, sections 10A.01, subdivisions 7 and 10b; 10A.02, subdivision 1; 10A.04, subdivisions 2, 4, and 4a; 10A.05; 10A.20, subdivision 3; 10A.24; 10A.25, subdivision 10, and by adding a subdivision; 10A.255, by adding a subdivision; 10A.27, subdivisions 1 and 4; 10A.275; 10A.28, subdivision 1; 10A.30, subdivision 2; 10A.33; 97A.485, by adding a subdivision; 204B.09, subdivision 1; 204D.03, subdivision 1; 290.06, by adding a subdivision; and 383B.055, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 10A; and 204D; repealing Minnesota Statutes 1988, sections 10A.27, subdivision 5; 10A.32, subdivisions 1, 2, 3, and 4; and 211B.11, subdivision 2; Minnesota Statutes 1989 Supplement, section 10A.32, subdivision 3a.

Referred to the Committee on Finance.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 1798: A bill for an act relating to health; providing limited prescription privileges for physician assistants; amending Minnesota Statutes 1988, section 151.37, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [147.35] [PHYSICIAN ASSISTANTS; DELEGATED AUTHORITY TO PRESCRIBE AND ADMINISTER DRUGS AND MEDICAL DEVICES.]

Subdivision 1. [DELEGATION OF AUTHORITY TO PRESCRIBE AND ADMINISTER DRUGS AND MEDICAL DEVICES.] (a) A supervising physician may delegate to a physician assistant who is registered with the board of medical examiners and certified by the National Commission on Certification of Physician Assistants and who is under the supervising physician's supervision, the authority to prescribe and administer legend drugs and medical devices, subject to the requirements in this section and other requirements established by the commissioner of health in rules.

(b) *The agreement between the physician assistant and supervising physician and any alternate supervising physicians must include a statement by the supervising physician regarding delegation or nondelegation of the functions of prescribing and administering of legend drugs and medical devices to the physician assistant. The statement must include a protocol indicating categories of drugs for which the supervising physician delegates prescriptive authority. The delegation must be appropriate to the physician assistant's practice and within the scope of the physician assistant's training. The commissioner of health shall identify categories of drugs, if any, for which delegated prescribing is inappropriate. Physician assistants who have been delegated the authority to prescribe and administer legend drugs and medical devices shall provide evidence of current certification by the National Commission on Certification of Physician Assistants when registering or reregistering as physician assistants. Supervising physicians shall retrospectively review, on a daily basis, the prescribing and administering of legend drugs and medical devices by physician assistants, when this authority has been delegated to the physician assistant as part of the delegation agreement between the physician and the physician assistant. During each on-site visit required under Minnesota Rules, the supervising physician shall document by signature and date that the prescriptive practice of the physician assistant has been reviewed.*

(c) *The commissioner of health shall establish by rule:*

(1) *a system of identifying physician assistants eligible to prescribe drugs and medical devices;*

(2) *a method of determining the categories of prescription drugs and medical devices that each physician assistant is allowed to prescribe; and*

(3) *a system of transmitting to pharmacies a listing of physician assistants eligible to prescribe prescription drugs and medical devices and the types of drugs and medical devices they are allowed to prescribe.*

Subd. 2. [AUTHORITY TO ADOPT RULES.] The commissioner of health may adopt or amend rules to implement this section, including the amendment of rules previously adopted under section 214.13. The commissioner may delegate to the board of medical examiners the authority to implement and enforce the rules.

Sec. 2. Minnesota Statutes 1988, section 151.37, is amended by adding a subdivision to read:

Subd. 2a. A supervising physician may delegate to a physician assistant who is registered with the board of medical examiners and certified by the National Commission on Certification of Physician Assistants and who is under the supervising physician's supervision, the authority to prescribe and administer legend drugs and medical devices, subject to the requirements in section 1 and other requirements established by the commissioner of health in rules.

Sec. 3. [PERMANENT REGISTRATION OF PHYSICIAN ASSISTANTS.]

The board of medical examiners shall register those physician assistants who were granted temporary registration under Minnesota Rules, part 5600.2640, subpart 1, but who have been unable to meet the requirements of Minnesota Rules, part 5600.2640, subpart 2, within the designated time due to a change in certification examination eligibility requirements made by the National Commission on Certification of Physician Assistants. These

individuals shall be allowed to reregister under Minnesota Rules, part 5600.2645, without having to meet the requirements of Minnesota Rules, part 5600.2640, subpart 2.

Sec. 4. [EFFECTIVE DATE.]

Section 1, subdivision 1, paragraphs (b) and (c), are effective June 1, 1991. Section 1, subdivision 2, and section 3, are effective the day following final enactment.

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "requiring permanent registration for certain physician assistants;"

Page 1, line 5, after "subdivision" insert "; proposing coding for new law in Minnesota Statutes, chapter 147"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 1520: A bill for an act relating to human services; creating a technology assistance review panel; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 24, after "*organization*" insert ", *except binding arbitration,*"

Pages 4 and 5, delete section 2

Page 5, line 5, delete "3" and insert "2"

Page 5, line 6, delete "*Sections*" and insert "*Section*" and delete "*and are*" and insert "*is*"

Amend the title as follows:

Page 1, line 3, delete "appropriating money;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was referred

S.F. No. 2382: A bill for an act relating to energy conservation; appropriating oil overcharge money for energy conservation projects that directly serve low-income Minnesotans; amending Minnesota Statutes 1988, section 4.071; and Laws 1989, chapter 338, section 11; repealing Laws 1989, chapter 338, section 11, subdivisions 1 and 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Merriam from the Committee on Finance, to which was referred

S.F. No. 1994: A bill for an act relating to revenue bonds and notes; stating the intent of the legislature not to appropriate money from the general fund to pay for revenue bonds or notes; amending Minnesota Statutes 1988, sections 16B.16, by adding a subdivision; 41A.03, subdivision

5; 136.31, subdivision 1; 136A.35; 462A.14; and 462A.22, subdivision 8; Minnesota Statutes 1989 Supplement, sections 136A.176; and 298.2211, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 4 and 5, delete sections 7 and 8

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after the second semicolon, insert "and" and delete "462A.14; and"

Page 1, line 8, delete "462A.22, subdivision 8;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 1903: A bill for an act relating to health; providing programs and incentives for persons to volunteer as bone marrow donors; requiring the commissioner of health to educate residents about the need for volunteer bone marrow donors; requiring paid leave for employees to donate bone marrow; requiring a bone marrow donor drive to encourage state employees to volunteer as bone marrow donors; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 145 and 181.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 9, delete "\$" and insert "\$40,000"

Page 3, line 13, delete "\$" and insert "\$15,000"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 2347: A bill for an act relating to environmental protection; approving state membership in the Great Lakes Protection Fund; proposing coding for new law as Minnesota Statutes, chapter 116Q.

Reports the same back with the recommendation that the bill do pass. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 2621, 1798, 1520, 2382, 1994, 1903 and 2347 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Vickerman moved that the name of Mr. Morse be added as a co-author to S.F. No. 1831. The motion prevailed.

Ms. Reichgott moved that the name of Mr. Marty be added as a co-author to S.F. No. 1847. The motion prevailed.

Mr. Larson introduced—

Senate Resolution No. 176: A Senate resolution congratulating the Fergus Falls High School Boys Basketball Team for winning Fourth Place in the 1990 State High School Class AA Boys Basketball Tournament.

Referred to the Committee on Rules and Administration.

Messrs. Ramstad; Benson; Moe, R.D.; Pogemiller and McGowan introduced—

Senate Resolution No. 177: A Senate resolution honoring the 1989-1990 University of Minnesota Men's Basketball Team and Coach Clem Haskins for reaching the Final Eight in the 1990 NCAA Basketball Tournament.

Referred to the Committee on Rules and Administration.

Mr. Luther moved that S.F. No. 2421 be taken from the table. The motion prevailed.

S.F. No. 2421: A bill for an act relating to elections; presidential primary; changing the primary date; providing procedures for conducting the primary; changing the requirements for being a candidate at the primary; allowing voters to prefer uncommitted delegates; allowing write-in votes; providing for voter receipt of ballots; eliminating the provision that the primary winner is the party's endorsed candidate; changing the apportionment of party delegates; requiring provision of certain information to interested persons; amending Minnesota Statutes 1988, sections 204B.06, by adding a subdivision; 204B.11, subdivision 2; Minnesota Statutes 1989 Supplement, sections 207A.01; 207A.02; 207A.03; 207A.04; and 207A.06, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 207A; repealing Minnesota Statutes 1989 Supplement, section 207A.05.

Mr. Luther moved that the Senate do not concur in the amendments by the House to S.F. No. 2421, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Brandl introduced—

S.F. No. 2622: A bill for an act relating to taxation; exempting residential security and alarm system services from the sales tax; amending Minnesota Statutes Second 1989 Supplement, section 297A.01, subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Mrs. Lantry, Messrs. Pehler, Langseth and Piepho introduced—

S.F. No. 2623: A bill for an act relating to motor carriers; providing rules exemptions for certain private and agricultural carriers; amending Minnesota Statutes 1988, section 221.031, subdivision 3; Minnesota Statutes 1989 Supplement, section 221.031, subdivisions 2 and 2a.

Referred to the Committee on Transportation.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Peterson, R.W. moved that S.F. No. 1032, No. 6 on General Orders, be stricken and returned to its author. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Pogemiller moved that the following members be excused for a Conference Committee on H.F. No. 1846 at 2:00 p.m.:

Messrs. Belanger, McGowan, Mses. Flynn, Reichgott and Mr. Pogemiller. The motion prevailed.

SUSPENSION OF RULES

Mr. Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S.F. No. 2621 and that the rules of the Senate be so far suspended as to give S.F. No. 2621, now on General Orders, its third reading and place it on its final passage. The motion prevailed.

S.F. No. 2621: A bill for an act relating to the organization and operation of state government; appropriating money for human services and health and other purposes with certain conditions; amending Minnesota Statutes 1988, sections 13.46, subdivision 5; 144A.073, by adding a subdivision; 245A.07, subdivision 3; 245A.08, subdivision 3; 245A.16, subdivision 4; 254B.04, subdivision 1; 254B.08; 256.736, subdivision 3a; 256.936, by adding a subdivision; 256B.04, subdivisions 15 and 16; 256B.055, subdivisions 3, 5, 6, and 12; 256B.056, subdivisions 2 and 7, and by adding a subdivision; 256B.0625, subdivisions 4, 5, 9, and by adding subdivisions; 256B.091, subdivisions 4 and 6; 256B.092, subdivisions 1a and 1b, and by adding subdivisions; 256B.15; 256B.19, by adding a subdivision; 256B.431, subdivision 3e, and by adding subdivisions; 256B.48, subdivision 2, and by adding a subdivision; 256B.49, by adding a subdivision; 256B.50, subdivisions 1 and 1b; 256B.501, subdivision 3e, and by adding a subdivision; 256B.69, subdivision 3; 256D.03, subdivision 7; 256E.06, subdivisions 2 and 7; 256H.01, by adding subdivisions; 518.171, subdivisions 1, 3, 4, and 7; 518.54, by adding subdivisions; 518.551, subdivisions 1 and 5; 518.611, subdivisions 1, 2, 8, and 8a, and by adding a subdivision; 518C.02, by adding subdivisions; 518C.03; 518C.05; 518C.09; 518C.12; and 518C.27, subdivision 1; Minnesota Statutes 1988, section 252.27, as amended by Laws 1989, chapter 282, article 2, section 92; Minnesota Statutes 1989 Supplement, sections 144.50, subdivision 6; 245.470, subdivision 1; 245.488, subdivision 1; 245A.02, subdivision 6a; 245A.03, subdivision 2; 245A.04, subdivisions 3, 3a, and 3b; 245A.12; 245A.13; 245A.16, subdivision 1; 252.46, subdivisions 1, 2, 3, 4, and 12; 254B.03, subdivision 4; 256.736, subdivision 16; 256.74, subdivision 1;

256.936, subdivision 1; 256.969, subdivisions 2c and 6a; 256.9695, subdivisions 1 and 3; 256B.055, subdivision 7; 256B.056, subdivisions 3 and 4; 256B.057, subdivisions 1 and 2, and by adding subdivisions; 256B.0575; 256B.059, subdivisions 4 and 5; 256B.0595, subdivisions 1, 2, and 4; 256B.0625, subdivision 13; 256B.091, subdivision 8; 256B.14; 256B.431, subdivision 2b; 256B.495, subdivision 1; 256B.69, subdivision 16; 256D.03, subdivisions 3, 4, and 6; 256D.425, subdivision 3; 256H.03, subdivisions 2, 2a, and 2b; 256H.05, subdivisions 1b, 1c, 2, and 5; 256H.08; 256H.15, subdivisions 1 and 2; 256I.05, subdivisions 1 and 7; 257.57, subdivision 1; 518.551, subdivision 10; 518.611, subdivision 4; and 518.613, subdivision 2; Laws 1988, chapter 689, article 2, section 256; Laws 1989, chapter 282, article 3, section 98, subdivisions 4 and 5; proposing coding for new law in Minnesota Statutes, chapters 60A; 144; 245A; 252; 254A; 256; and 256B; repealing Minnesota Statutes 1988, sections 256.736, subdivision 8; 256B.0625, subdivision 2; 256B.431, subdivisions 3, 3b, 3c, and 3d; and 256B.50, subdivision 2; Minnesota Statutes 1989 Supplement, sections 256.736, subdivision 15; 256B.055, subdivision 8; and 256B.431, subdivisions 3a and 3f.

Mr. Benson moved to amend S.F. No. 2621 as follows:

Page 3, line 1, delete "(1,100,000)" and insert "(2,200,000)"

Page 3, line 2, delete "two" and insert "four"

Page 4, line 18, delete "\$43,880,000" and insert "\$44,980,000"

Page 4, line 22, delete "15" and insert "30"

Correct the subdivision and section totals and the summaries by fund accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 25 and nays 29, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Johnson, D.E.	McQuaid	Pehler
Beckman	Decker	Knaak	Mehrkens	Piepho
Benson	Diessner	Knutson	Morse	Ramstad
Bernhagen	Frederick	Laidig	Olson	Storm
Bertram	Frederickson, D.R.	Larson	Pariseau	Vickerman

Those who voted in the negative were:

Adkins	Davis	Johnson, D.J.	Marty	Purfeerst
Berg	Dicklich	Kroening	Merriam	Samuelson
Berglin	Frank	Langseth	Moe, R.D.	Spear
Brandl	Frederickson, D.J.	Lantry	Novak	Stumpf
Chmielewski	Freeman	Lessard	Peterson, R.W.	Waldorf
Dahl	Hughes	Luther	Piper	

The motion did not prevail. So the amendment was not adopted.

Mr. Storm moved to amend S.F. No. 2621 as follows:

Page 3, line 1, delete "(1,100,000)" and insert "(2,200,000)"

Page 3, line 2, delete "two" and insert "four"

Correct the subdivision and section totals and the summaries by fund accordingly

Page 78, delete lines 26 to 29

CALL OF THE SENATE

Mr. Merriam imposed a call of the Senate for the balance of the proceedings on S.F. No. 2621. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Storm amendment.

The roll was called, and there were yeas 29 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Cohen	Frederickson, D.R.	Larson	Pariseau
Beckman	Decker	Gustafson	McGowan	Piepho
Belanger	Diessner	Johnson, D.E.	McQuaid	Ramstad
Benson	Flynn	Knaak	Mehrkens	Storm
Bernhagen	Frederick	Knutson	Morse	Vickerman
Brataas	Frederickson, D.J.	Laidig	Olson	

Those who voted in the negative were:

Adkins	Dicklich	Lantry	Peterson, R.W.	Solon
Berg	Frank	Lessard	Piper	Spear
Bertram	Freeman	Luther	Pogemiller	Stumpf
Brandl	Hughes	Marty	Purfeerst	Waldorf
Chmielewski	Johnson, D.J.	Merriam	Reichgott	
Dahl	Kroening	Moe, D.M.	Samuelson	
Davis	Langseth	Pehler	Schmitz	

The motion did not prevail. So the amendment was not adopted.

Mr. Piepho moved to amend S.F. No. 2621 as follows:

Page 3, line 1, delete "(1,100,000)" and insert "(2,200,000)"

Page 3, line 2, delete "two" and insert "four"

Page 4, line 18, delete "\$43,880,000" and insert "\$44,980,000"

Page 4, after line 18, insert:

"Of the appropriation for the second year, \$1,100,000 must be used to provide a rate increase for privately operated, community-based residential facilities for persons with mental retardation and related conditions, to be used to increase employee wages. To receive a rate increase, a facility must agree to use the entire amount of the increase to provide wage increases for direct care staff."

Correct the subdivision and section totals and the summaries by fund accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 29 and nays 33, as follows:

Those who voted in the affirmative were:

Anderson	Bertram	Frederickson, D.R.	Larson	Pariseau
Beckman	Brataas	Gustafson	McGowan	Piepho
Belanger	Cohen	Johnson, D.E.	McQuaid	Ramstad
Benson	Davis	Knaak	Mehrkens	Storm
Berg	Decker	Knutson	Morse	Vickerman
Bernhagen	Frederick	Laidig	Olson	

Those who voted in the negative were:

Adkins	Flynn	Lantry	Novak	Schmitz
Berglin	Frank	Lessard	Pehler	Solon
Brandl	Freeman	Luther	Peterson, R. W.	Spear
Chmielewski	Hughes	Marty	Piper	Stumpf
Dahl	Johnson, D.J.	Merriam	Pogemiller	Waldorf
Dicklich	Kroening	Moe, D.M.	Reichgott	
Diessner	Langseth	Moe, R.D.	Samuelson	

The motion did not prevail. So the amendment was not adopted.

Mr. Johnson, D.E. moved to amend S.F. No. 2621 as follows:

Page 106, after line 24, insert:

“Sec. 48. Minnesota Statutes 1988, section 256B.063, is amended to read:

256B.063 [COST SHARING.]

Subdivision 1. [FEDERAL REQUIREMENTS.] Notwithstanding the provisions of section 256B.05, subdivision 2, the commissioner is authorized to promulgate rules pursuant to the administrative procedure act, and to require a nominal enrollment fee, premium, or similar charge for recipients of medical assistance, if and to the extent required by applicable federal regulation.

Subd. 2. [COPAYMENT FOR EMERGENCY ROOM CARE.] A recipient of medical assistance, general assistance medical care, or the children's health plan who receives care in a hospital emergency room must pay a copayment of \$10 to the hospital for each emergency room visit, unless the recipient is admitted to the hospital as an inpatient within 24 hours after receiving the emergency room care. The hospital must deduct from the billing for the emergency room care, the amount of any copayment actually received from the patient.”

Renumber the sections of article 3 in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 28 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Bertram	Knaak	McQuaid	Ramstad
Beckman	Brataas	Knutson	Mehrkens	Storm
Belanger	Decker	Laidig	Morse	Stumpf
Benson	Frederick	Langseth	Olson	Vickerman
Berg	Frederickson, D.R.	Larson	Pariseau	
Bernhagen	Johnson, D.E.	McGowan	Piepho	

Those who voted in the negative were:

Adkins	Flynn	Lantry	Novak	Schmitz
Berglin	Frank	Lessard	Pehler	Solon
Brandl	Frederickson, D.J.	Luther	Peterson, R. W.	Spear
Chmielewski	Gustafson	Marty	Piper	Waldorf
Cohen	Hughes	Merriam	Pogemiller	
Dicklich	Johnson, D.J.	Metzen	Purfeerst	
Diessner	Kroening	Moe, R.D.	Samuelson	

The motion did not prevail. So the amendment was not adopted.

Mr. Benson moved to amend S.F. No. 2621 as follows:

Page 63, after line 29, insert:

“Sec. 50. [TASK FORCE ON COMPENSATION FOR DIRECT CARE EMPLOYEES.]

The commissioner of human services shall establish a task force on the compensation and training of direct care employees. The purpose of the task force is to address staff turnover, recruitment, and training in order to have a significant number of qualified people working in programs that provide direct care services to individuals. Programs include intermediate care facilities for persons with mental retardation, semi-independent living services, day training and habilitation, waived services, supported employment, rehabilitation facilities, services for persons with mental illness, child care, and chemical dependency. Members of the task force shall be appointed by the commissioner. Task force membership shall consist of at least one representative from the department of human services, the department of employee relations, the department of jobs and training, and the department of health, advocates, direct care staff from unionized and nonunionized facilities, providers, collective bargaining representatives, and representatives from institutions of post-secondary education, metro and greater Minnesota counties, and the governor's council on developmental disabilities. The task force shall submit a report to the commissioner by November 1, 1990, that includes recommendations on the following:

(1) entry and promotional level wage ranges for various job classifications which reduce wage and benefit inequities between community and state-operated facilities and services;

(2) implementation of wage and benefit increases over a four-year period to ensure that wages and benefits are brought up to a level competitive within the community marketplace;

(3) mechanisms to link wage increases to initial training, continuing education, and competency;

(4) recruitment and retention of qualified staff; and

(5) the impact of making adjustments pursuant to complying with United States Code, title 29, section 157 (Supp. 1988), and Minnesota Statutes, sections 179.16 and 179A.12.

By January 15, 1991, the commissioner shall submit the report and recommended legislation to implement the report to the chairs of the house of representatives and senate health and human services committees.”

Renumber the sections of article 2 in sequence and correct the internal references

The motion prevailed. So the amendment was adopted.

Mr. Luther moved to amend S.F. No. 2621 as follows:

Page 10, after line 21, insert:

“Sec. 12. [ALLOTMENT REDUCTIONS.]

Notwithstanding Minnesota Statutes, section 16A.15, subdivision 1, paragraph (a), any general fund deficit remaining after the legislature adjourns sine die in 1990 must be made up by reducing allotments rather than by drawing down the budget and cash flow reserve. The necessary reductions must be completed by June 1, 1990. Any deficit arising as a result of a forecast made after July 1, 1990, of general fund revenues and expenditures must be made up as provided in section 16A.15.”

Renumber the sections of article 1 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Knutson moved to amend S.F. No. 2621 as follows:

Page 71, line 12, delete "who are both" and insert "and" and after "old" delete "and" and insert "or older"

Page 71, line 13, delete everything before "are"

Page 150, delete lines 30 to 32 and insert:

"Subd. 3. [CHILDREN'S HEALTH PLAN.] Section 11, paragraph (a), clause (2), and paragraph (b), are effective January 1, 1991."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Gustafson	McQuaid	Piepho
Beckman	Cohen	Knaak	Mehrkens	Ramstad
Benson	Decker	Knutson	Metzen	Storm
Berglin	Frederick	Laidig	Olson	Vickerman
Bernhagen	Frederickson, D.R.	Larson	Pariseau	

Those who voted in the negative were:

Adkins	Dicklich	Kroening	Morse	Solon
Berg	Diessner	Langseth	Pehler	Spear
Bertram	Frank	Lantry	Peterson, R.W.	Stumpf
Brandl	Frederickson, D.J.	Luther	Piper	Waldorf
Chmielewski	Freeman	Marty	Purfeerst	
Dahl	Hughes	Merriam	Samuelson	
Davis	Johnson, D.J.	Moe, R.D.	Schmitz	

The motion did not prevail. So the amendment was not adopted.

Mr. Benson moved to amend S.F. No. 2621 as follows:

Pages 151 to 153, delete article 4

Renumber the articles in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 21 and nays 39, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Knaak	Mehrkens	Vickerman
Beckman	Decker	Knutson	Pariseau	
Belanger	Frederick	Laidig	Piepho	
Benson	Frederickson, D.R.	Larson	Ramstad	
Bernhagen	Gustafson	McGowan	Storm	

Those who voted in the negative were:

Adkins	Diessner	Kroening	Metzen	Purfeerst
Berg	Flynn	Langseth	Moe, R. D.	Reichgott
Berglin	Frank	Lantry	Morse	Samuelson
Bertram	Frederickson, D.J.	Lessard	Novak	Schmitz
Brandl	Freeman	Luther	Pehler	Spear
Chmielewski	Hughes	Marty	Peterson, R. W.	Stumpf
Cohen	Johnson, D.E.	McQuaid	Piper	Waldorf
Davis	Johnson, D.J.	Merriam	Pogemiller	

The motion did not prevail. So the amendment was not adopted.

Mr. McGowan moved to amend S.F. No. 2621 as follows:

Page 4, line 18, delete "\$43,880,000" and insert "\$46,080,000"

Page 4, after line 18, insert:

"Of this appropriation, \$7,000,000 in the second year is for the alternative care grant program."

Correct the subdivision and section totals and the summaries by fund accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 28 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Cohen	Knaak	McQuaid	Ramstad
Beckman	Decker	Knutson	Mehrkens	Renneke
Belanger	Frederick	Laidig	Morse	Storm
Benson	Frederickson, D.R.	Larson	Olson	Vickerman
Bernhagen	Gustafson	Marty	Pariseau	
Brataas	Johnson, D.E.	McGowan	Piepho	

Those who voted in the negative were:

Adkins	Dicklich	Johnson, D.J.	Moe, R. D.	Solon
Berg	Diessner	Kroening	Pehler	Spear
Bertram	Flynn	Lantry	Peterson, R. W.	Stumpf
Brandl	Frank	Lessard	Piper	Waldorf
Chmielewski	Frederickson, D.J.	Luther	Purfeerst	
Dahl	Freeman	Merriam	Samuelson	
Davis	Hughes	Metzen	Schmitz	

The motion did not prevail. So the amendment was not adopted.

S.F. No. 2621 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 49 and nays 16, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knutson	Metzen	Renneke
Beckman	Dicklich	Kroening	Moe, R. D.	Samuelson
Berg	Diessner	Laidig	Morse	Schmitz
Berglin	Flynn	Langseth	Novak	Solon
Bertram	Frank	Lantry	Pehler	Spear
Brandl	Frederickson, D.J.	Lessard	Peterson, R. W.	Storm
Brataas	Freeman	Luther	Piper	Stumpf
Chmielewski	Hughes	Marty	Pogemiller	Vickerman
Cohen	Johnson, D.E.	Mehrkens	Purfeerst	Waldorf
Dahl	Johnson, D.J.	Merriam	Reichgott	

Those who voted in the negative were:

Anderson
Belanger
Benson
Bernhagen

Decker
Frederick
Frederickson, D.R.

Gustafson
Knaak
Larson

McGowan
McQuaid
Olson

Pariseau
Piepho
Ramstad

So the bill, as amended, was passed and its title was agreed to.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate for the balance of the proceedings on H.F. No. 2478. The Sergeant at Arms was instructed to bring in the absent members.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that H.F. No. 2478 be taken from the table. The motion prevailed.

H.F. No. 2478: A bill for an act relating to the financing and operation of government in Minnesota; updating references to the Internal Revenue Code; changing the computation of aid to local units of governments; modifying the computation and administration of taxes and property tax refunds; providing tax deductions and exemptions; changing the tax rates; authorizing certain local governments to borrow money; providing a food shelf checkoff; changing definition of debt for the revenue recapture act; providing certain rights and remedies to taxpayers; modifying the requirements for the collection and expenditure of tax increments; repealing the increase in the maximum lodging tax; allowing the sale of certain tax forfeited land in Otter Tail county; allowing the cities of Bayport, Windom, and Jackson and the counties of Goodhue, Douglas, and Koochiching to levy taxes for certain purposes; requiring certain uses of tax increments by the city of Minneapolis; exempting the city of Moorhead from certain requirements; permitting the cities of Bloomington and Roseville to impose lodging taxes; changing truth-in-taxation requirements; requiring payment of the prevailing wage for financial assistance; requiring reports and studies; imposing and transferring powers and duties; changing certain effective dates; increasing certain fees; providing for payment of the greater Minnesota landfill fee; imposing a minimum fee on corporations; providing for withholding of certain refunds; requiring an appropriation by the metropolitan sports facilities commission; reducing and transferring appropriations; canceling certain debts; appropriating money; amending Minnesota Statutes 1988, sections 270.07, by adding a subdivision; 270.70, subdivisions 1, 2, 4, 8, and by adding subdivisions; 270.701, by adding a subdivision; 270.709, subdivision 1; 270A.03, subdivisions 2 and 5; 271.12; 271.19; 273.11, by adding a subdivision; 273.124, by adding a subdivision; 273.1398, by adding a subdivision; 273.42, subdivision 1; 275.065, by

adding a subdivision; 276.111; 277.15; 279.03, subdivision 2, and by adding a subdivision; 279.06; 281.17; 282.01, subdivision 4; 282.014; 282.261, subdivision 2; 289A.11, as added, by adding a subdivision; 290.431; 290.50, by adding a subdivision; 290A.10; 290A.19; 296.02, subdivision 1a; 296.025, subdivision 1a; 296.06, subdivision 2; 296.12, subdivisions 1 and 2; 296.17, subdivisions 10 and 17; 297.07, subdivision 5; 297A.01, subdivision 15; 297A.25, by adding a subdivision; 298.015, subdivision 1; 298.017; 298.05; 298.24, subdivision 1; 469.059, subdivision 11; 469.129, subdivision 2; 469.171, by adding a subdivision; 469.174, subdivision 12, and by adding subdivisions; 469.175, subdivision 1a, and by adding subdivisions; 469.176, subdivisions 2 and 3; 469.177, subdivision 8; 477A.011, subdivision 17, and by adding a subdivision; 477A.012, subdivision 1, and by adding a subdivision; 477A.013, by adding a subdivision; 477A.03, subdivision 1; 477A.11, subdivision 4; 477A.13; and 500.24, subdivision 4; Minnesota Statutes 1989 Supplement, sections 270.10, subdivision 1a; 270.69, subdivision 11; 273.11, subdivision 1; 273.112, subdivision 3; 273.124, subdivisions 8 and 9; 275.08, subdivision 1d; 278.05, subdivision 4; 279.01, subdivision 1; 282.01, subdivision 1; 290.01, subdivision 19; 290A.04, subdivision 5; 290A.045, subdivision 7; 375.192, subdivision 2; 383.06; 410.32; 462.396, subdivision 2; 469.175, subdivision 4; 469.176, subdivision 4c; 469.177, subdivision 9; and 469.190, subdivisions 1 and 2; Minnesota Statutes Second 1989 Supplement, sections 3.885, subdivision 8; 60A.15, subdivision 1; 103B.3369, subdivisions 5 and 7; 272.02, subdivision 4; 273.13, subdivisions 22, 23, and 25; 273.1398, subdivisions 1 and 2; 273.371, subdivision 1; 275.065, subdivisions 1 and 6; 275.07, subdivision 1; 275.50, subdivision 5; 275.51, subdivision 3f; 276.09; 276.10; 276.11, subdivision 1; 277.01, subdivision 1; 277.02; 277.05; 277.06; 290.05, subdivision 1; 290.06, subdivision 1; 290.091, subdivision 2; 290.0921, subdivisions 1, 3, and by adding a subdivision; 290A.04, subdivision 2a; 290A.045, subdivision 6; 297A.01, subdivision 3; 297A.44, subdivision 1; 469.174, subdivisions 7 and 10; 469.175, subdivisions 3 and 7; 469.176, subdivisions 1 and 4j; 469.177, subdivision 10; 469.190, subdivision 3; 477A.011, subdivisions 1a and 25; and 477A.013, subdivisions 3 and 5; Laws 1988, chapter 719, article 12, section 30, as amended; Laws 1989, chapters 326, article 3, section 49; and 353, section 13; and Laws 1989, First Special Session chapter 1, articles 3, section 32, subdivisions 1 and 2; 5, section 52; and 10, section 45; proposing coding for new law in Minnesota Statutes, chapters 134; 116j; 268; 270; 273; 290; and 469; repealing Minnesota Statutes 1989 Supplement, sections 115A.922; 115A.923, subdivisions 2, 3, 4, and 5; 115A.924; 115A.925; 115A.927; 115A.928; 290.06, subdivision 1a; and 375.192, subdivision 1; Minnesota Statutes Second 1989 Supplement, 273.1398, subdivision 2b.

SUSPENSION OF RULES

Mr. Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 2478 and that the rules of the Senate be so far suspended as to give H.F. No. 2478 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 2478 was read the second time.

Mr. Johnson, D.J. moved to amend H.F. No. 2478 as follows:

Delete everything after the enacting clause, and delete the title, of H.F.

No. 2478, and insert the language after the enacting clause, and the title, of S.F. No. 2540, the first engrossment.

The motion prevailed. So the amendment was adopted.

Mr. Johnson, D.J. then moved to amend H.F. No. 2478, as amended by the Senate March 30, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2540.)

Page 83, after line 23, insert:

“Sec. 16. [ALLOTMENT REDUCTIONS.]

Notwithstanding Minnesota Statutes, section 16A.15, subdivision 1, paragraph (a), any general fund deficit remaining after the legislature adjourns sine die in 1990 must be made up by reducing allotments rather than by drawing down the budget and cash flow reserve. The necessary reductions must be completed by June 1, 1990. Any deficit arising as a result of a forecast made after July 1, 1990, of general fund revenues and expenditures must be made up as provided in section 16A.15.”

Renumber the sections of article 3 in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the Johnson, D.J. amendment.

The roll was called, and there were yeas 58 and nays 4, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Knutson	Moe, R.D.	Reichgott
Anderson	Dicklich	Kroening	Morse	Renneke
Beckman	Diessner	Laidig	Novak	Samuelson
Belanger	Frederick	Lantry	Olson	Schmitz
Benson	Frederickson, D.J.	Larson	Pariseau	Solon
Berg	Frederickson, D.R.	Lessard	Pehler	Spear
Bernhagen	Freeman	Luther	Peterson, R.W.	Storm
Bertram	Gustafson	McGowan	Piepho	Stumpf
Brandl	Hughes	McQuaid	Piper	Vickerman
Brataas	Johnson, D.E.	Mehrkins	Pogemiller	Waldorf
Chmielewski	Johnson, D.J.	Merriam	Purfeerst	
Cohen	Knaak	Metzen	Ramstad	

Mses. Berglin, Flynn, Messrs. Frank and Marty voted in the negative.

The motion prevailed. So the amendment was adopted.

Mr. Johnson, D.J. then moved to amend H.F. No. 2478, as amended by the Senate March 30, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2540.)

Page 74, line 5, delete “and”

Page 74, line 7, after “section” insert “; and

(4) municipal state aid under section 162.14, subdivision 1”

Page 74, line 10, after “reduction” insert “in aids under paragraph (c), other than the reduction in municipal state aid,”

Page 74, line 12, after the period, insert “In no case shall the subtraction from a local government’s levy limit base be less than the percentage of a local government’s revenue base determined under paragraph (b) less any

reduction made in municipal state aid under section 162.14, subdivision 1."

Page 74, after line 12, insert:

"(f) If any reduction under this section is made in a city's municipal state aids under section 162.14, subdivision 1, the amount of the reduction shall be deposited in the municipal state-aid fund created by article XIV, section 8, of the state constitution. For purposes of section 162.13, subdivision 2, the money need of any city, the apportionment of which was reduced by this section, shall be reduced by the cumulative reductions made pursuant to this section in their municipal state aids under section 162.14, subdivision 1, in prior years."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 40 and nays 23, as follows:

Those who voted in the affirmative were:

Beckman	Dicklich	Johnson, D.E.	Metzen	Purfeerst
Berg	Diessner	Johnson, D.J.	Moe, D.M.	Reichgott
Berglin	Flynn	Kroening	Moe, R.D.	Schmitz
Bertram	Frank	Lantry	Morse	Solon
Chmielewski	Frederickson, D.J.	Lessard	Pehler	Spear
Cohen	Freeman	Luther	Peterson, R.W.	Stumpf
Dahl	Gustafson	Marty	Piper	Vickerman
Davis	Hughes	Merriam	Pogemiller	Waldorf

Those who voted in the negative were:

Adkins	Brataas	Knutson	Mehrkens	Ramstad
Anderson	Decker	Laidig	Novak	Renneke
Belanger	Frederick	Larson	Olson	Storm
Benson	Frederickson, D.R.	McGowan	Pariseau	
Bernhagen	Knaak	McQuaid	Piepho	

The motion prevailed. So the amendment was adopted.

Mr. Laidig moved to amend H.F. No. 2478, as amended by the Senate March 30, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2540.)

Page 61, delete section 46

Renumber the sections of article 2 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Decker moved to amend H.F. No. 2478, as amended by the Senate March 30, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2540.)

Page 21, after line 36, insert:

"Sec. 18. Minnesota Statutes Second 1989 Supplement, section 273.13, subdivision 22, is amended to read:

Subd. 22. [CLASS 1.] (a) Except as provided in subdivision 23, real estate which is residential and used for homestead purposes is class 1. The market value of class 1a property must be determined based upon the value of the house, garage, and land.

The first \$68,000 of market value of class 1a property has a net class rate of one percent of its market value and a gross class rate of 2.17 percent of its market value. The market value of class 1a property that exceeds \$68,000 but does not exceed \$100,000 has a class rate of two percent of its market value. The market value of class 1a property that exceeds \$100,000 has a class rate of three percent of its market value.

(b) Class 1b property includes real estate or manufactured homes used for the purposes of a homestead by

(1) any blind person, if the blind person is the owner thereof or if the blind person and the blind person's spouse are the sole owners thereof; or

(2) any person, hereinafter referred to as "veteran," who:

(i) served in the active military or naval service of the United States; and

(ii) is entitled to compensation under the laws and regulations of the United States for permanent and total service-connected disability due to the loss, or loss of use, by reason of amputation, ankylosis, progressive muscular dystrophies, or paralysis, of both lower extremities, such as to preclude motion without the aid of braces, crutches, canes, or a wheelchair; and

(iii) with assistance by the administration of veterans affairs has acquired a special housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability, or the surviving spouse of the deceased veteran for as long as the surviving spouse retains the special housing unit as a homestead; or

(3) any person who:

(i) is permanently and totally disabled and

(ii) receives 90 percent or more of total income from

(A) aid from any state as a result of that disability; or

(B) supplemental security income for the disabled; or

(C) workers' compensation based on a finding of total and permanent disability; or

(D) social security disability, including the amount of a disability insurance benefit which is converted to an old age insurance benefit and any subsequent cost of living increases; or

(E) aid under the Federal Railroad Retirement Act of 1937, United States Code Annotated, title 45, section 228b(a)5; or

(F) a pension from any local government retirement fund located in the state of Minnesota as a result of that disability; or

(iii) whose household income as defined in section 290A.03, subdivision 5, is 150 percent or less of the federal poverty level.

Property is classified and assessed pursuant to clause (1) only if the commissioner of jobs and training certifies to the assessor that the owner of the property satisfies the requirements of this subdivision.

Permanently and totally disabled for the purpose of this subdivision means a condition which is permanent in nature and totally incapacitates the person from working at an occupation which brings the person an

income. The first \$32,000 market value of class 1b property has a net class rate of .4 percent of its market value and a gross class rate of .87 percent of its market value. The remaining market value of class 1b property has a gross or net class rate using the rates for class 1 or class 2a property, whichever is appropriate, of similar market value.

(c) Class 1c property is commercial use real property that abuts a lake-shore line and is devoted to temporary and seasonal residential occupancy for recreational purposes but not devoted to commercial purposes for more than 225 ~~days~~ *nights* in the year preceding the year of assessment, and that includes a portion used as a homestead by the owner, which includes a dwelling occupied as a homestead by a shareholder of a corporation that owns the resort or a partner in a partnership that owns the resort, even if the title to the homestead is held by the corporation or partnership. Class 1c property has a class rate of .4 percent of the first \$32,000 of market value for taxes payable in 1990, .6 percent of the first \$32,000 of market value for taxes payable in 1991, .8 percent of the first \$32,000 of market value for taxes payable in 1992, and one percent of market value in excess of \$32,000 for taxes payable in 1990, 1991, and 1992, and one percent of total market value for taxes payable in 1993 and thereafter with the following limitation: the area of the property must not exceed 100 feet of lakeshore footage for each cabin or campsite located on the property up to a total of 800 feet and 500 feet in depth, measured away from the lakeshore."

Page 27, line 32, strike "days" and insert "*nights*"

Page 28, line 4, strike "days" and insert "*nights*"

Renumber the sections of article 2 in sequence and correct the internal references

Amend the title accordingly

The motion did not prevail. So the amendment was not adopted.

Mr. Stumpf moved to amend H.F. No. 2478, as amended by the Senate March 30, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2540.)

Pages 90 and 91, delete sections 1 and 2

Renumber the sections of article 5 in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 39 and nays 27, as follows:

Those who voted in the affirmative were:

Adkins	Brandl	Gustafson	McGowan	Purfeerst
Anderson	Brataas	Johnson, D.E.	McQuaid	Ramstad
Beckman	Chmielewski	Knaak	Mehrkens	Renneke
Belanger	Davis	Knutson	Morse	Schmitz
Benson	Decker	Laidig	Olson	Storm
Berg	Diessner	Langseth	Pariseau	Stumpf
Bernhagen	Frederickson, D.J.	Larson	Peterson, R.W.	Vickerman
Bertram	Frederickson, D.R.	Lessard	Piepho	

Those who voted in the negative were:

Berglin	Frederick	Luther	Novak	Solon
Cohen	Freeman	Marty	Pehler	Spear
Dahl	Hughes	Merriam	Piper	Waldorf
Dicklich	Johnson, D.J.	Metzen	Pogemiller	
Flynn	Kroening	Moe, D.M.	Reichgott	
Frank	Lantry	Moe, R.D.	Samuelson	

The motion prevailed. So the amendment was adopted.

Mr. Ramstad moved to amend H.F. No. 2478, as amended by the Senate March 30, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2540.)

Page 21, after line 36, insert:

"Sec. 18. Minnesota Statutes Second 1989 Supplement, section 273.13, subdivision 22, is amended to read:

Subd. 22. [CLASS 1.] (a) Except as provided in subdivision 23, real estate which is residential and used for homestead purposes is class 1. The market value of class 1a property must be determined based upon the value of the house, garage, and land.

The first \$68,000 of market value of class 1a property has a net class rate of one percent of its market value and a gross class rate of 2.17 percent of its market value. The market value of class 1a property that exceeds \$68,000 but does not exceed \$100,000 has a class rate of two percent of its market value. The market value of class 1a property that exceeds \$100,000 has a class rate of three percent of its market value.

(b) Class 1b property includes real estate or manufactured homes used for the purposes of a homestead by

(1) any blind person, if the blind person is the owner thereof or if the blind person and the blind person's spouse are the sole owners thereof; or

(2) any person, hereinafter referred to as "veteran," who:

(i) served in the active military or naval service of the United States; and

(ii) is entitled to compensation under the laws and regulations of the United States for permanent and total service-connected disability due to the loss, or loss of use, by reason of amputation, ankylosis, progressive muscular dystrophies, or paralysis, of both lower extremities, such as to preclude motion without the aid of braces, crutches, canes, or a wheelchair; and

(iii) with assistance by the administration of veterans affairs has acquired a special housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability, or the surviving spouse of the deceased veteran for as long as the surviving spouse retains the special housing unit as a homestead; or

(3) any person who:

(i) is permanently and totally disabled and

(ii) receives 90 percent or more of total income from

(A) aid from any state as a result of that disability; or

(B) supplemental security income for the disabled; or

(C) workers' compensation based on a finding of total and permanent disability; or

(D) social security disability, including the amount of a disability insurance benefit which is converted to an old age insurance benefit and any subsequent cost of living increases; or

(E) aid under the Federal Railroad Retirement Act of 1937, United States Code Annotated, title 45, section 228b(a)5; or

(F) a pension from any local government retirement fund located in the state of Minnesota as a result of that disability; or

(iii) whose household income as defined in section 290A.03, subdivision 5, is ~~150~~ 250 percent or less of the federal poverty level.

Property is classified and assessed pursuant to clause (1) only if the commissioner of jobs and training certifies to the assessor that the owner of the property satisfies the requirements of this subdivision.

Permanently and totally disabled for the purpose of this subdivision means a condition which is permanent in nature and totally incapacitates the person from working at an occupation which brings the person an income. The first \$32,000 market value of class 1b property has a net class rate of .4 percent of its market value and a gross class rate of .87 percent of its market value. The remaining market value of class 1b property has a gross or net class rate using the rates for class 1 or class 2a property, whichever is appropriate, of similar market value.

(c) Class 1c property is commercial use real property that abuts a lake-shore line and is devoted to temporary and seasonal residential occupancy for recreational purposes but not devoted to commercial purposes for more than 225 days in the year preceding the year of assessment, and that includes a portion used as a homestead by the owner, which includes a dwelling occupied as a homestead by a shareholder of a corporation that owns the resort or a partner in a partnership that owns the resort, even if the title to the homestead is held by the corporation or partnership. Class 1c property has a class rate of .4 percent of the first \$32,000 of market value for taxes payable in 1990, .6 percent of the first \$32,000 of market value for taxes payable in 1991, .8 percent of the first \$32,000 of market value for taxes payable in 1992, and one percent of market value in excess of \$32,000 for taxes payable in 1990, 1991, and 1992, and one percent of total market value for taxes payable in 1993 and thereafter with the following limitation: the area of the property must not exceed 100 feet of lakeshore footage for each cabin or campsite located on the property up to a total of 800 feet and 500 feet in depth, measured away from the lakeshore."

Renumber the sections of article 2 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Waldorf moved to amend H.F. No. 2478, as amended by the Senate March 30, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2540.)

Page 92, after line 27, insert:

"Sec. 4. If S.F. No. 2618, article 2, is enacted at the 1990 regular session,

Minnesota Statutes 1988, section 353.27, is amended by adding a subdivision to read:

Subd. 3. [EMPLOYER CONTRIBUTION.] The employer contribution must be an amount equal to the employee contribution under subdivision 2. This contribution must be made from funds available to the employing subdivision by the means and in the manner provided in section 353.28. In November 1991 and every November thereafter, the board of trustees shall recommend to the legislature the amount of the employer contribution to be made under this subdivision for the one-year period beginning the next July 1. The board of trustees shall recommend to the legislature the employer contribution at a level equal to the total actuarial requirements calculated by the actuary retained by the legislative commission on pensions and retirement in the actuary's most recent valuation, less the employee contribution established in subdivision 2."

Page 96, after line 11, insert:

"Sec. 7. [CORRECTION.]

S.F. No. 2618, article 2, section 5, if enacted at the 1990 regular session, is amended to read:

Sec. 5. Minnesota Statutes 1988, section 353.27, subdivision 3a, is amended to read:

Subd. 3a. [ADDITIONAL EMPLOYER CONTRIBUTION.] An additional employer contribution must be made equal to (a) ~~8.23~~ 2-1/2 percent of the total salary of each "basic member"; and (b) ~~4.23~~ one-quarter of one percent of the total salary of each "coordinated member." These contributions must be made from funds available to the employing subdivision by the means and in the manner provided in section 353.28. In November 1991 and every November thereafter, the board of trustees shall recommend to the legislature the amount of the additional employer contribution to be made under this subdivision for the one-year period beginning the next July 1. The board of trustees shall recommend to the legislature the ~~employee~~ additional employer contribution at a level equal to the total actuarial requirements calculated by the actuary retained by the legislative commission on pensions and retirement in the actuary's most recent valuation, less the employee contribution established in subdivision 2.

Sec. 8. [REPEALER.]

S.F. No. 2618, article 2, section 8, if enacted at the 1990 regular session, is repealed."

Renumber the sections of article 5 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Gustafson moved to amend H.F. No. 2478, as amended by the Senate March 30, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2540.)

Page 92, after line 27, insert:

"Sec. 4. Minnesota Statutes 1988, section 297A.25, subdivision 36, is amended to read:

Subd. 36. [INCOMING, INTERSTATE WATS LINES.] The gross receipts from the sale of long distance telephone services are exempt, if the service (1) consists of a wide area telephone line that permits a long distance call to an individual or business located in Minnesota to be made from a location outside of Minnesota at no toll charge to the person placing the call; or (2) entitles a customer that is exclusively a provider of telemarketing services, upon payment of a periodic charge that is determined either as a flat amount or upon the basis of total elapsed transmission time, to the privilege of an unlimited number of long distance calls made from a location in Minnesota to a location outside of Minnesota. As used in this subdivision, "telemarketing services" means a system that systematically solicits sales and receives orders for sales by means of telegraph, telephone, computer data base, cable optic, microwave, or other communications system."

Renumber the sections in sequence and correct the internal references
Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Lessard moved to amend H.F. No. 2478, as amended by the Senate March 30, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2540.)

Page 31, after line 24, insert:

"Sec. 23. H.F. No. 2480, article 9, section 14, if enacted at the 1990 regular session, is amended to read:

Sec. 14. Minnesota Statutes 1988, section 273.42, subdivision 1, is amended to read:

Subdivision 1. The property set forth in section 273.37, subdivision 2, consisting of transmission lines of less than 69 kv and transmission lines of 69 kv and above located in an unorganized township, and distribution lines not taxed as provided in sections 273.38, 273.40 and 273.41 shall be taxed at the average tax capacity rate of taxes levied for all purposes throughout the county ~~after~~ *before* disparity reduction aid is applied, and shall be entered on the tax lists by the county auditor against the owner thereof and certified to the county treasurer at the same time and in the same manner that other taxes are certified, and, when paid, shall be credited as follows: 50 percent to the general revenue fund of the county and 50 percent to the general school fund of the county, except that if there are high voltage transmission lines as defined in section 116C.52, the construction of which was commenced after July 1, 1974 and which are located in unorganized townships within the county, then the distribution of taxes within this subdivision shall be credited as follows: 50 percent to the general revenue fund of the county, 40 percent to the general school fund of the county and ten percent to a utility property tax credit fund, which is hereby established."

Page 45, line 11, after "to" insert "(1)"

Page 45, line 16, after "4" insert "; and (2) the adjusted levy limit base adjustment made under subdivision 3h, paragraph (f), for taxes payable in 1990"

Page 45, after line 25, insert:

"Sec. 31. Minnesota Statutes Second 1989 Supplement, section 275.51, subdivision 3h, is amended to read:

Subd. 3h. [ADJUSTED LEVY LIMIT BASE.] For taxes levied in 1989 and thereafter, the adjusted levy limit base is equal to the levy limit base computed pursuant to subdivision 3f, increased by:

(a) three percent for taxes levied in 1989 and subsequent years;

(b) a percentage equal to (1) one-half of the greater of the percentage increases in population or in number of households, if any, for cities and towns and (2) the lesser of the percentage increase in population or the number of households, if any, for counties, using figures derived pursuant to subdivision 6;

(c) the amount of a permanent increase in the levy limit base approved at a general or special election held during the 12-month period ending September 30 of the levy year under section 275.58, subdivisions 1 and 2;

(d) for levy year 1989, for a county which incurred costs since October 1978, for the litigation of federal land claims under United States Code, title 18, section 1162; United States Code, title 25, section 331; and United States Code, title 28, section 1360; an amount of up to the actual costs incurred by the county for this purpose. This adjustment shall not exceed \$250,000; and

(e) for levy year 1989, an amount of \$1,724,000 for Ramsey county for implementing the local government pay equity act under sections 471.991 to 471.999. Furthermore, in levy years 1990 and 1991, an additional amount of \$862,000 shall be added to Ramsey county's adjusted levy limit base under this clause for each of the two years; and

~~(f) for levy year 1989, an amount equal to the decrease in a county's 50 percent share of the powerline taxes extended between taxes payable years 1988 and 1989 under section 273.42, subdivision 1. The adjustment shall be determined by the department of revenue.~~

For taxes levied in 1989, the adjusted levy limit base is reduced by an amount equal to the estimated amount of the reduction in aids to a county under sections 273.1398, subdivision 2, paragraph (d), and 477A.012, subdivision 3, for aids payable in 1990."

Renumber the sections of article 2 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Peterson, R.W. moved to amend H.F. No. 2478, as amended by the Senate March 30, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2540.)

Page 17, line 25, after "dealers" insert "or manufacturers"

Page 17, line 26, after "dealer" insert "or manufacturer"

The motion prevailed. So the amendment was adopted.

H.F. No. 2478 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 37 and nays 28, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Moe, R.D.	Samuelson
Belanger	Diessner	Laidig	Novak	Schmitz
Berglin	Flynn	Langseth	Pehler	Solon
Bertram	Frederick	Lessard	Peterson, R.W.	Spear
Brandl	Gustafson	Luther	Piper	Stumpf
Brataas	Hughes	Marty	Pogemiller	
Chmielewski	Johnson, D.E.	Merriam	Purfeerst	
Cohen	Johnson, D.J.	Moe, D.M.	Reichgott	

Those who voted in the negative were:

Anderson	Davis	Kroening	Metzen	Renneke
Beckman	Frank	Lantry	Morse	Storm
Benson	Frederickson, D.J.	Larson	Olson	Vickerman
Berg	Frederickson, D.R.	McGowan	Pariseau	Waldorf
Bernhagen	Freeman	McQuaid	Piepho	
Dahl	Knutson	Mehrkens	Ramstad	

So the bill, as amended, was passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate revert to the Orders of Business of Messages From the House and Reports of Committees. The motion prevailed.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 2617: A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and other agencies with certain conditions; reducing appropriations for the biennium ending June 30, 1991, with certain conditions; providing for the transfer of money in the state treasury; amending Minnesota Statutes 1989 Supplement, section 297B.09, subdivision 1.

Senate File No. 2617 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 30, 1990

Mr. Langseth moved that the Senate do not concur in the amendments by the House to S.F. No. 2617, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1787: A bill for an act relating to education; modifying the maximum effort education facility aid law capital loan program and review and comment procedures for certain construction; authorizing the issuance of state bonds; appropriating money; amending Minnesota Statutes 1988, sections 121.148, subdivision 2; 121.15, subdivisions 1, 7, and 8; Minnesota Statutes 1989 Supplement, sections 121.15, subdivision 2; 124.38, subdivision 7; Minnesota Statutes Second 1989 Supplement, section 124.2442, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 124; repealing Minnesota Statutes 1988, section 124.43, subdivisions 2, 3, 3a, 3b, 4, 5, and 6; and Minnesota Statutes 1989 Supplement, section 124.43, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 7, after line 2, insert:

“(1) the current facility poses a real threat to the life, health, and safety of pupils, and cannot reasonably be brought into compliance with fire, health, and life safety codes;”

Renumber the clauses in sequence

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Johnson, D.J. moved that S.F. No. 2540, No. 44 on General Orders, be stricken and laid on the table. The motion prevailed.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

APPOINTMENTS

Mr. Moe, R.D. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

S.F. No. 2299: Messrs. Dicklich, Decker and Dahl.

S.F. No. 2421: Messrs. Luther, Cohen and Laidig.

S.F. No. 2617: Messrs. Langseth, Berg, Purfeerst, Mehrkens and Metzen.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

MEMBERS EXCUSED

Mr. DeCramer was excused from the Session of today. Mr. Renneke was excused from the Session of today from 12:00 noon to 3:00 p.m. Mr. Metzen was excused from the Session of today from 1:00 to 2:20 p.m. Ms. Reichgott

was excused from the Session of today from 3:00 to 3:30 p.m. Mr. Decker was excused from the Session of today at 5:35 p.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Monday, April 2, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

EIGHTY-SECOND DAY

St. Paul, Minnesota, Monday, April 2, 1990

The Senate met at 12:00 noon and was called to order by the President.

CALL OF THE SENATE

Mr. Frank imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Donald Zenk.

The members of the Senate gave the pledge of allegiance to the flag of the United States of America.

The roll was called, and the following Senators answered to their names:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

March 30, 1990

The Honorable Robert E. Vanasek
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 1990 Session of the State Legislature have been received from the Office

of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 1990	Date Filed 1990
	1893	362	1650 hours March 29	March 30
2353		363	2138 hours March 29	March 30
	2508	366	1652 hours March 29	March 30
	2149	367	2141 hours March 29	March 30
	1987	368	2142 hours March 29	March 30
1663		369	2144 hours March 29	March 30
	951	370	2146 hours March 29	March 30
	1859	372	2140 hours March 29	March 30
	2594	379	2137 hours March 29	March 30

Sincerely,
Joan Anderson Growe
Secretary of State

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 5 members of the House, on the amendments adopted by the House to the following Senate File:

S.F. No. 2618: A bill for an act relating to public administration; appropriating money or reducing appropriations to the higher education coordinating board, regents of the University of Minnesota, state university board, state board for community colleges, and state board of vocational technical education, with certain conditions; excepting notification of committee chairs on certain capital projects; establishing a community college at Cambridge; clarifying the duties and powers of the higher education coordinating board; authorizing tuition reciprocity agreements with contiguous Canadian provinces; establishing a state matching grant program to match private gifts to endowment funds; requiring administrative service plans for technical colleges under certain circumstances; changing permitted kinds of investments for the permanent university fund; permitting capital gains of the fund to be used to support endowed academic chairs; authorizing the purchase of a certain building by the state university board; requiring development of a consumer information system for occupational programs; regulating public post-secondary plans; requiring reports; adjusting contributions to state system retirement plans; amending Minnesota Statutes 1988, sections 136.60; 136.602; 136C.05, by adding a subdivision; 137.022, subdivisions 1 and 3; 352.92, subdivision 2; 352B.02, subdivision 1c; 353.27, subdivision 3a; and 354.42, subdivision 5; Minnesota Statutes 1989 Supplement, sections 16B.335, subdivision 2; 136A.04; 136A.08; 352.04, subdivisions 2 and 3; and 354B.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 136A; repealing Minnesota Statutes 1988, section 353.27, subdivision 3.

There has been appointed as such committee on the part of the House: Carlson, L.; Dorn; Price; Orenstein and Morrison.

Senate File No. 2618 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 30, 1990

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 2621: A bill for an act relating to the organization and operation of state government; appropriating money for human services and health and other purposes with certain conditions; amending Minnesota Statutes 1988, sections 13.46, subdivision 5; 144A.073, by adding a subdivision; 245A.07, subdivision 3; 245A.08, subdivision 3; 245A.16, subdivision 4; 254B.04, subdivision 1; 254B.08; 256.736, subdivision 3a; 256.936, by adding a subdivision; 256B.04, subdivisions 15 and 16; 256B.055, subdivisions 3, 5, 6, and 12; 256B.056, subdivisions 2 and 7, and by adding a subdivision; 256B.0625, subdivisions 4, 5, 9, and by adding subdivisions; 256B.091, subdivisions 4 and 6; 256B.092, subdivisions 1a and 1b, and by adding subdivisions; 256B.15; 256B.19, by adding a subdivision; 256B.431, subdivision 3e, and by adding subdivisions; 256B.48, subdivision 2, and by adding a subdivision; 256B.49, by adding a subdivision; 256B.50, subdivisions 1 and 1b; 256B.501, subdivision 3e, and by adding a subdivision; 256B.69, subdivision 3; 256D.03, subdivision 7; 256E.06, subdivisions 2 and 7; 256H.01, by adding subdivisions; 518.171, subdivisions 1, 3, 4, and 7; 518.54, by adding subdivisions; 518.551, subdivisions 1 and 5; 518.611, subdivisions 1, 2, 8, and 8a, and by adding a subdivision; 518C.02, by adding subdivisions; 518C.03; 518C.05; 518C.09; 518C.12; and 518C.27, subdivision 1; Minnesota Statutes 1988, section 252.27, as amended by Laws 1989, chapter 282, article 2, section 92; Minnesota Statutes 1989 Supplement, sections 144.50, subdivision 6; 245.470, subdivision 1; 245.488, subdivision 1; 245A.02, subdivision 6a; 245A.03, subdivision 2; 245A.04, subdivisions 3, 3a, and 3b; 245A.12; 245A.13; 245A.16, subdivision 1; 252.46, subdivisions 1, 2, 3, 4, and 12; 254B.03, subdivision 4; 256.736, subdivision 16; 256.74, subdivision 1; 256.936, subdivision 1; 256.969, subdivisions 2c and 6a; 256.9695, subdivisions 1 and 3; 256B.055, subdivision 7; 256B.056, subdivisions 3 and 4; 256B.057, subdivisions 1 and 2, and by adding subdivisions; 256B.0575; 256B.059, subdivisions 4 and 5; 256B.0595, subdivisions 1, 2, and 4; 256B.0625, subdivision 13; 256B.091, subdivision 8; 256B.14; 256B.431, subdivision 2b; 256B.495, subdivision 1; 256B.69, subdivision 16; 256D.03, subdivisions 3, 4, and 6; 256D.425, subdivision 3; 256H.03, subdivisions 2, 2a, and 2b; 256H.05, subdivisions 1b, 1c, 2, and 5; 256H.08; 256H.15, subdivisions 1 and 2; 256I.05, subdivisions 1 and 7; 257.57, subdivision 1; 518.551, subdivision 10; 518.611, subdivision 4; and 518.613, subdivision 2; Laws 1988, chapter 689, article 2, section 256; Laws 1989, chapter 282, article 3, section 98, subdivisions 4 and 5; proposing coding for new law in Minnesota Statutes, chapters 60A; 144; 245A; 252; 254A; 256; and 256B; repealing Minnesota Statutes 1988, sections 256.736, subdivision 8; 256B.0625, subdivision 2; 256B.431, subdivisions 3, 3b, 3c, and 3d; and 256B.50, subdivision 2; Minnesota Statutes 1989 Supplement, sections 256.736, subdivision 15; 256B.055, subdivision 8; and 256B.431,

subdivisions 3a and 3f.

Senate File No. 2621 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 30, 1990

Mr. Samuelson moved that the Senate do not concur in the amendments by the House to S.F. No. 2621, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1807: A bill for an act relating to Hennepin county; permitting the issuance of obligations by the county board for a public safety building.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, before "*Hennepin*" insert "*Subdivision 1. [AUTHORIZATION.]*"

Page 1, line 14, after "*The*" insert "*first \$20,000,000 in principal amount of obligations issued under this section and one-half of the principal amount of additional*"

Page 1, line 15, delete the second "*the*" and insert "*those*" and delete "*not*"

Page 1, line 18, after the period, insert "*The remaining obligations issued under this section and the property taxes levied to pay the debt service on them shall not be included in that calculation. The bonds issued under this section are exempt from the reverse referendum provision of Minnesota Statutes, section 373.40, subdivision 2, paragraph (c), but must be approved by vote of at least two-thirds of the members of the county board.*"

Subd. 2. [PLANNING PROCESS.] Hennepin county shall not issue the obligations authorized under this section for the public safety building and related facilities until the board of county commissioners of Hennepin county has entered into a planning process which must include:

(1) comparative analysis of alternative sites, including but not limited to: site preparation factors, proximity to the county courthouse, and potential construction or legal delays for each site;

(2) programmatic plans relating to physical structure, construction, and operational costs;

(3) integration into the long-range physical plan of the city of Minneapolis;

(4) integration with existing and proposed correctional facilities in the seven-county metropolitan area; and

(5) continued use of the current jail facilities for correctional purposes for a period of at least ten years.

The planning process shall include at least one public hearing, and must be completed by September 1, 1990. The board of county commissioners and the city of Minneapolis must cooperate in the analysis and planning process described in clauses (1) and (3)."

Amend the title as follows:

Page 1, line 4, before the period, insert “; requiring a planning process and public hearing”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2365 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2365	2200				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2365 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2365 and insert the language after the enacting clause of S.F. No. 2200, the first engrossment; further, delete the title of H.F. No. 2365 and insert the title of S.F. No. 2200, the first engrossment.

And when so amended H.F. No. 2365 will be identical to S.F. No. 2200, and further recommends that H.F. No. 2365 be given its second reading and substituted for S.F. No. 2200, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 2395: A bill for an act relating to unemployment compensation; making various technical changes; regulating eligibility of conservation corps members and entertainers; increasing the income disregard; regulating eligibility for persons receiving holiday pay; regulating administrative hearings; providing for data sharing; appropriating certain federal money; amending Minnesota Statutes 1988, sections 268.08, subdivision 3; 268.10, subdivision 9; and 268.12, subdivision 13; Minnesota Statutes 1989 Supplement, sections 84.965, subdivision 2; 84.98, subdivision 5; 268.04, subdivision 12; 268.07, subdivision 2; 268.12, subdivision 12; 270B.14, subdivision 8; and 290.92, subdivision 21.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Merriam from the Committee on Finance, to which was referred

S.F. No. 2619: A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 576: A bill for an act relating to human services; providing that medical certification for general assistance benefits may be made by a licensed chiropractor; amending Minnesota Statutes 1988, section 256D.02, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Merriam from the Committee on Finance, to which was re-referred

H.F. No. 493: A bill for an act relating to education; requiring a pupil to identify reasons for enrolling in a nonresident district under the enrollment options program; providing a resident district with notice of a pupil's participation under the program; restricting transfers; restricting participation in extracurricular varsity athletic activities in a nonresident district; amending Minnesota Statutes 1988, section 120.062, subdivisions 4, 6, 9, and by adding a subdivision; repealing Minnesota Statutes 1988, section 120.062, subdivision 8.

Reports the same back with the recommendation that the bill do pass. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1807, 2395, 2619 and 576 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 2365 and 493 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Waldorf moved that the name of Mr. Laidig be stricken as a co-author to S.F. No. 1688. The motion prevailed.

Mr. Waldorf moved that the name of Mr. Bertram be added as a co-author to S.F. No. 1688. The motion prevailed.

Mr. Spear moved that the name of Mr. Marty be added as a co-author to S.F. No. 2177. The motion prevailed.

Mr. Beckman moved that the names of Mr. Ramstad and Ms. Piper be added as co-authors to S.F. No. 2346. The motion prevailed.

Mr. Mehrkens introduced—

Senate Resolution No. 178: A Senate resolution congratulating Coach Jerry Snyder for being named Coach of the Year by the Minnesota Coaches Association.

Referred to the Committee on Rules and Administration.

Mr. Mehrkens introduced—

Senate Resolution No. 179: A Senate resolution congratulating the Lake City High School Boys Basketball team for winning the 1990 Class A Boys State High School Championship.

Referred to the Committee on Rules and Administration.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1891 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1891: A bill for an act relating to trusts; changing certain trust requirements; amending Minnesota Statutes 1989 Supplement, sections 501A.05; 501B.09, by adding a subdivision; 501B.46; 501B.65, subdivision 2; 501B.67, subdivision 1; 501B.68; 501B.69; and 501B.72, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Merriam	Renneke
Anderson	Davis	Johnson, D.J.	Metzen	Samuelson
Beckman	Decker	Kroening	Moe, R.D.	Schmitz
Belanger	Dicklich	Langseth	Morse	Spear
Benson	Diessner	Lantry	Novak	Storm
Berg	Flynn	Larson	Olson	Stumpf
Berglin	Frank	Lessard	Pariseau	Vickerman
Bernhagen	Frederick	Luther	Pehler	Waldorf
Bertram	Frederickson, D.J.	Marty	Peterson, R.W.	
Brandl	Freeman	McGowan	Pogemiller	
Brataas	Gustafson	McQuaid	Purfeerst	
Chmielewski	Hughes	Mehrkens	Ramstad	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1854 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1854: A bill for an act relating to government data practices; establishing procedures for computerized comparisons of data; requiring matching agreements; providing for contesting of data; requiring reviews and reports; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 13B.

Mr. Peterson, R.W. moved to amend S.F. No. 1854 as follows:

Page 3, line 29, before the period, insert "*from which data were obtained to be used in the matching program*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1854 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Knaak	Metzen	Reichgott
Anderson	Dicklich	Kroening	Moe, D.M.	Renneke
Beckman	Diessner	Laidig	Moe, R.D.	Samuelson
Belanger	Flynn	Langseth	Morse	Schmitz
Benson	Frank	Lantry	Novak	Spear
Berglin	Frederick	Larson	Olson	Storm
Bernhagen	Frederickson, D.J.	Lessard	Pariseau	Stumpf
Bertram	Frederickson, D.R.	Luther	Pehler	Vickerman
Brandl	Freeman	Marty	Peterson, R.W.	Waldorf
Brataas	Gustafson	McGowan	Piepho	
Chmielewski	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	
Davis	Johnson, D.J.	Merriam	Ramstad	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2282 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2282: A bill for an act relating to contracts; providing for enforcement of certain contracts; proposing coding for new law as Minnesota Statutes, chapter 338.

Mr. Knaak moved to amend S.F. No. 2282 as follows:

Page 1, line 25, after "*employer*" insert "*, if the new employer agrees in writing to be bound by the clause,*"

Page 2, line 1, delete "*That*" and insert "*: except that the*"

Page 2, line 13, delete everything after the period

Page 2, delete lines 14 to 16

CALL OF THE SENATE

Mr. Frank imposed a call of the Senate for the balance of the proceedings on S.F. No. 2282. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Knaak amendment.

The roll was called, and there were yeas 26 and nays 37, as follows:

Those who voted in the affirmative were:

Anderson	Decker	Knutson	Olson	Storm
Belanger	Frederick	Laidig	Pariseau	Vickerman
Benson	Frederickson, D.R.	Larson	Piepho	
Berg	Gustafson	McGowan	Purfeerst	
Bernhagen	Johnson, D.E.	McQuaid	Ramstad	
Brataas	Knaak	Mehrkens	Renneke	

Those who voted in the negative were:

Adkins	Diessner	Langseth	Moe, R.D.	Samuelson
Beckman	Flynn	Lantry	Morse	Schmitz
Berglin	Frank	Lessard	Novak	Spear
Bertram	Frederickson, D.J.	Luther	Pehler	Stumpf
Brandl	Freeman	Marty	Peterson, R.W.	Waldorf
Dahl	Hughes	Merriam	Piper	
Davis	Johnson, D.J.	Metzen	Pogemiller	
Dicklich	Kroening	Moe, D.M.	Reichgott	

The motion did not prevail. So the amendment was not adopted.

S.F. No. 2282 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 44 and nays 22, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kroening	Moe, D.M.	Reichgott
Beckman	Diessner	Langseth	Moe, R.D.	Samuelson
Berglin	Flynn	Lantry	Morse	Schmitz
Bertram	Frank	Lessard	Novak	Solon
Brandl	Frederickson, D.J.	Luther	Pehler	Spear
Chmielewski	Freeman	Marty	Peterson, R.W.	Stumpf
Dahl	Gustafson	McQuaid	Piper	Vickerman
Davis	Hughes	Merriam	Pogemiller	Waldorf
DeCramer	Johnson, D.J.	Metzen	Purfeerst	

Those who voted in the negative were:

Anderson	Brataas	Knaak	Mehrrens	Renneke
Belanger	Decker	Knutson	Olson	Storm
Benson	Frederick	Laidig	Pariseau	
Berg	Frederickson, D.R.	Larson	Piepho	
Bernhagen	Johnson, D.E.	McGowan	Ramstad	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1520 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1520: A bill for an act relating to human services; creating a technology assistance review panel; proposing coding for new law in Minnesota Statutes, chapter 256.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.J.	Merriam	Purfeerst
Anderson	DeCramer	Knaak	Metzen	Ramstad
Beckman	Dicklich	Knutson	Moe, D.M.	Reichgott
Belanger	Diessner	Kroening	Moe, R.D.	Renneke
Benson	Flynn	Laidig	Morse	Samuelson
Berg	Frank	Langseth	Novak	Schmitz
Berglin	Frederick	Lantry	Olson	Solon
Bernhagen	Frederickson, D.J.	Larson	Pariseau	Spear
Bertram	Frederickson, D.R.	Lessard	Pehler	Storm
Brandl	Freeman	Luther	Peterson, R.W.	Stumpf
Brataas	Gustafson	McGowan	Piepho	Vickerman
Dahl	Hughes	McQuaid	Piper	Waldorf
Davis	Johnson, D.E.	Mehrkens	Pogemiller	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2382 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2382: A bill for an act relating to energy conservation; appropriating oil overcharge money for energy conservation projects that directly serve low-income Minnesotans; amending Minnesota Statutes 1988, section 4.071; and Laws 1989, chapter 338, section 11; repealing Laws 1989, chapter 338, section 11, subdivisions 1 and 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Metzen	Ramstad
Anderson	Diessner	Kroening	Moe, D.M.	Reichgott
Beckman	Flynn	Laidig	Moe, R.D.	Renneke
Belanger	Frank	Langseth	Morse	Samuelson
Benson	Frederick	Lantry	Novak	Schmitz
Berglin	Frederickson, D.J.	Larson	Olson	Spear
Bernhagen	Frederickson, D.R.	Lessard	Pariseau	Storm
Bertram	Freeman	Luther	Pehler	Stumpf
Brandl	Gustafson	Marty	Peterson, R.W.	Vickerman
Brataas	Hughes	McGowan	Piepho	Waldorf
Dahl	Johnson, D.E.	McQuaid	Piper	
Davis	Johnson, D.J.	Mehrkens	Pogemiller	
Decker	Knaak	Merriam	Purfeerst	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1799 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1799: A bill for an act relating to higher education; authorizing an appropriation for a parking deck at Moorhead State University to be used to acquire land and construct parking spaces.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.J.	Merriam	Ramstad
Anderson	DeCramer	Knaak	Metzen	Reichgott
Beckman	Dicklich	Knutson	Moe, D.M.	Renneke
Belanger	Diessner	Kroening	Moe, R.D.	Samuelson
Benson	Flynn	Langseth	Morse	Schmitz
Berg	Frank	Lantry	Olson	Spear
Berglin	Frederick	Larson	Pariseau	Storm
Bernhagen	Frederickson, D.J.	Lessard	Pehler	Stumpf
Bertram	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brandl	Freeman	Marty	Piepho	Waldorf
Brataas	Gustafson	McGowan	Piper	
Dahl	Hughes	McQuaid	Pogemiller	
Davis	Johnson, D.E.	Mehrkens	Purfeerst	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2489 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2489: A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited land in Koochiching and Lincoln counties; authorizing the private sale of certain state lands in Scott, Hubbard, and Fillmore counties; appropriating proceeds of the Scott county conveyance; authorizing the sale of certain surplus land in Lake county; authorizing the sale of certain trust fund land in St. Louis county; authorizing the sale of surplus land in Grant county for recreational purposes; authorizing the sale of certain wildlife land in Washington county to independent school district No. 834.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Merriam	Purfeerst
Anderson	Decker	Knaak	Metzen	Ramstad
Beckman	DeCramer	Knutson	Moe, D.M.	Reichgott
Belanger	Dicklich	Kroening	Moe, R.D.	Renneke
Benson	Flynn	Langseth	Morse	Samuelson
Berg	Frank	Lantry	Novak	Schmitz
Berglin	Frederick	Larson	Olson	Spear
Bernhagen	Frederickson, D.J.	Lessard	Pariseau	Storm
Bertram	Frederickson, D.R.	Luther	Pehler	Stumpf
Brandl	Freeman	Marty	Peterson, R.W.	Vickerman
Brataas	Gustafson	McGowan	Piepho	Waldorf
Chmielewski	Hughes	McQuaid	Piper	
Dahl	Johnson, D.E.	Mehrkens	Pogemiller	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2396 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2396: A bill for an act relating to the environment; regulating the disposition of property acquired for response action; appropriating money; amending Minnesota Statutes 1988, section 115B.17, by adding a subdivision.

Mr. Morse moved to amend S.F. No. 2396 as follows:

Page 1, line 10, after "*determines*" insert "*that real or personal*"

Page 1, lines 11 and 24, delete "*under subdivision 15*" and insert "*by the agency for response action*"

Page 1, line 23, after "*that*" insert "*real or personal*"

Page 2, line 23, delete "*fund*" and insert "*environmental response, compensation, and compliance account*"

Page 2, line 26, after "*appropriated*" insert "*from the account*" and delete "*from the fund*"

The motion prevailed. So the amendment was adopted.

S.F. No. 2396 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knutson	Metzen	Purfeerst
Anderson	Decker	Kroening	Moe, D.M.	Ramstad
Beckman	Dicklich	Langseth	Moe, R.D.	Reichgott
Belanger	Flynn	Lantry	Morse	Renneke
Benson	Frank	Larson	Novak	Samuelson
Berg	Frederickson, D.J.	Lessard	Olson	Schmitz
Berglin	Frederickson, D.R.	Luther	Pariseau	Spear
Bernhagen	Freeman	Marty	Pehler	Storm
Bertram	Hughes	McGowan	Peterson, R.W.	Stumpf
Brandl	Johnson, D.E.	McQuaid	Piepho	Vickerman
Brataas	Johnson, D.J.	Mehrkens	Piper	Waldorf
Dahl	Knaak	Merriam	Pogemiller	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2025 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2025: A bill for an act relating to agriculture; creating a restricted seed potato growing area and historic certified seed potato area; providing restrictions; requiring a study; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 21.

Mr. Frederick moved to amend H.F. No. 2025 as follows:

Page 1, after line 25, insert:

"Sec. 2. [21.1197] ["GROWER'S OWN" SEED POTATOES.]

Subdivision 1. [CERTIFICATION OF SEED POTATOES AND PLOT.]

(a) A potato grower in Freeborn, Steele, or Mower county may seek certification of seed potatoes grown by the potato grower exclusively for the grower's own use and not for sale.

(b) A seed plot used to produce potatoes under this subdivision must pass all the requirements for certification of seed potatoes under section 21.1195 and rules adopted by the commissioner.

Subd. 2. ["GROWER'S OWN."] Seed potatoes produced on seed plots certified under subdivision 1 are "grower's own" seed potatoes and must not be sold or exchanged as seed.

Subd. 3. [LIMITATION.] "Grower's own" seed potatoes may not represent more than 15 percent of the acreage a grower plants in potatoes in a year. "Grower's own" seed potatoes may be used to plant all of the grower's potato crop the following year except the following year's "grower's own" seed potato plot."

Renumber the sections in sequence

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 2025 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 47 and nays 16, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Morse	Samuelson
Anderson	Decker	Laidig	Novak	Solon
Beckman	DeCramer	Langseth	Olson	Spear
Belanger	Frederick	Lantry	Pariseau	Storm
Berg	Frederickson, D.J.	Larson	Peterson, R. W.	Stumpf
Bernhagen	Frederickson, D.R.	Lessard	Piepho	Vickerman
Bertram	Freeman	McGowan	Piper	Waldorf
Brandl	Gustafson	McQuaid	Ramstad	
Cohen	Hughes	Mehrkens	Reichgott	
Dahl	Johnson, D.E.	Metzen	Renneke	

Those who voted in the negative were:

Berglin	Frank	Kroening	Merriam	Pehler
Chmielewski	Johnson, D.J.	Luther	Moe, D.M.	Pogemiller
Dicklich	Knutson	Marty	Moe, R. D.	Schmitz
Flynn				

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1994 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1994: A bill for an act relating to revenue bonds and notes; stating the intent of the legislature not to appropriate money from the general fund to pay for revenue bonds or notes; amending Minnesota Statutes 1988, sections 16B.16, by adding a subdivision; 41A.03, subdivision 5; 136.31, subdivision 1; and 136A.35; Minnesota Statutes 1989 Supplement, sections 136A.176; and 298.2211, subdivision 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 5, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Hughes	Merriam	Ramstad
Anderson	Dahl	Johnson, D.E.	Metzen	Reichgott
Beckman	Davis	Knaak	Moe, D.M.	Renneke
Belanger	Decker	Knutson	Moe, R.D.	Schmitz
Benson	DeCramer	Kroening	Morse	Spear
Berg	Dicklich	Lantry	Olson	Storm
Bernhagen	Frank	Lessard	Pariseau	Stumpf
Bertram	Frederick	Luther	Pehler	Vickerman
Brandl	Frederickson, D.J.	McGowan	Peterson, R.W.	Waldorf
Brataas	Frederickson, D.R.	McQuaid	Piepho	
Chmielewski	Freeman	Mehrkens	Piper	

Those who voted in the negative were:

Berglin	Diessner	Flynn	Johnson, D.J.	Pogemiller
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So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that H.F. No. 2200 be taken from the table. The motion prevailed.

H.F. No. 2200: A bill for an act relating to education; starting, developing, adding to, clarifying, and financing elementary and secondary and related education programs and services, including those relating to general education, transportation, special programs, drug prevention and other community programs, facilities, programs of cooperation, other aids and levies, rural health care, and the department of education; providing for technical rate changes; authorizing bonds and tax levies; appropriating money; amending Minnesota Statutes 1988, sections 120.062, subdivision 9, and by adding a subdivision; 121.148; 121.15, subdivisions 1 and 7; 121.88, subdivision 6; 121.882, subdivision 9, and by adding a subdivision; 121.908, subdivision 3; 121.917, subdivision 4; 122.91, by adding a subdivision; 122.93, by adding a subdivision; 122.94, subdivision 5; 123.33, subdivision 1; 123.35, by adding subdivisions; 123.3514, subdivisions 6 and 6b; 123.36, subdivision 10; 123.37, subdivision 1; 123.38, subdivisions 1 and 2b; 123.39, subdivision 6; 123.58, subdivisions 2 and 6; 123.9361; 123.947; 124.14, subdivision 7; 124.195, subdivision 10, and by adding subdivisions; 124.26, by adding a subdivision; 124.2711, subdivision 2; 124.494, by adding a subdivision; 124A.02, subdivision 1; 124A.036, subdivision 5, and by adding a subdivision; 125.12, by adding a subdivision; 125.17, by adding a subdivision; 125.185, by adding a subdivision; 125.231, subdivision 6; 125.60, subdivision 2; 126.12, subdivision 2; 126.666, subdivisions 2 and 4; 126.70, subdivision 2a; 129B.53, subdivision 3; 141.25, subdivisions 7 and 9; 181A.04, by adding a subdivision; 181A.12, subdivision 1; 275.125, subdivision 4; and 471.59, subdivision 2; Minnesota Statutes 1989 Supplement, sections 121.111, subdivisions 1 and 2; 121.15, subdivision 2; 121.612, subdivisions 3 and 5; 121.88, subdivision 9; 121.882, subdivision 2; 122.243, subdivision 2; 122.91, subdivisions 1 and 5; 122.92, subdivision 1; 122.94, subdivision 6; 122.945, subdivision 2; 123.58, subdivision 9; 124.10, subdivision 2; 124.155, subdivision 2; 124.19, subdivision 7; 124.225, subdivisions 1, 3a, and 8k;

124.26, subdivisions 7 and 8; 124.2711, subdivisions 1 and 3; 124.2713; 124.2715; 124.2721; 124.2725, subdivision 8, and by adding a subdivision; 124.38, subdivision 7; 124.573, subdivision 2d; 124.83, subdivision 6; 124.90, subdivision 2; 124A.22, subdivision 2a; 126.22, subdivisions 2 and 3; 128B.03, subdivision 4; 129.128; 141.35; 275.125, subdivisions 5c, 5e, 6h, 6i, 8b, 9a, 9b, 9c, 11d, and 18; Minnesota Statutes Second 1989 Supplement, sections 124.2442, subdivision 1; 124.83, subdivisions 1 and 4; 124A.26, subdivision 1; Laws 1959, chapter 462, section 3, subdivision 10, as renumbered, as amended; Laws 1984, chapter 463, article 6, section 15, subdivision 2; Laws 1988, chapter 718, article 6, section 23; and Laws 1989, chapter 329, article 5, section 21, subdivision 4; article 11, sections 15, subdivisions 2 and 12; 16, subdivision 2; article 12, sections 9, subdivision 2; and 11; proposing coding for new law in Minnesota Statutes, chapters 121; 122; 124; 125; 126; 129B; and 237; proposing coding for new law as Minnesota Statutes, chapter 124B; repealing Minnesota Statutes 1988, sections 121.15, subdivision 4; 124.43, subdivisions 2, 3, 4, 5, and 6; Minnesota Statutes 1989 Supplement, section 124.43, subdivision 1.

SUSPENSION OF RULES

Mr. Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 2200 and that the rules of the Senate be so far suspended as to give H.F. No. 2200 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 2200 was read the second time.

Mr. Peterson, R.W. moved to amend H.F. No. 2200 as follows:

Delete everything after the enacting clause and insert:

"ARTICLE I

GENERAL EDUCATION

Section 1. Minnesota Statutes 1988, section 124.17, subdivision 1b, is amended to read:

Subd. 1b. [AFDC PUPIL UNITS.] In a district in which the number of pupils from families receiving aid to families with dependent children on October 1 of the previous school year equals six percent or more of the actual pupil units in the district for the ~~same~~ *current school* year, as computed in subdivision 1, each such pupil shall be counted as an additional one-tenth of a pupil unit for each percent of concentration over five percent of such pupils in the district. The percent of concentration shall be rounded down to the nearest whole percent. In a district in which the percent of concentration is less than six, additional pupil units may not be counted for such pupils. A pupil may not be counted as more than .6 additional pupil unit under this subdivision. The weighting in this subdivision is in addition to the weighting provided in subdivision 1.

Sec. 2. Minnesota Statutes Second 1989 Supplement, section 124A.03, subdivision 2, is amended to read:

Subd. 2. [REFERENDUM LEVY.] (a) The levy authorized by section 124A.23, subdivision 2, 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. 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 levy as a percentage of net tax capacity, the amount that will be raised by that tax capacity rate in the first year it is to be levied, and that the tax capacity rate shall be used to finance school operations. The ballot shall designate the specific number of years 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 levy proposed by (petition to) the board of, School District No., be approved?”

If approved, the amount provided by the approved tax capacity rate applied to the net tax capacity 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.

(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 ~~election~~ 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 levy 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 increase 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: “In 1989 the legislature reduced property taxes for education by increasing the state share of funding for education. However, state aid for cities and townships was reduced by a corresponding amount. As a result, property taxes for cities and townships may increase. 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 levy 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 levy approved by the voters of the district pursuant to paragraph (a) must be made at least once before it is subject to a referendum on its revocation or reduction for subsequent years. Only one revocation or reduction ~~election~~ referendum may be held to revoke or reduce a levy 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 30 15 days after the district holds a referendum pursuant to this clause day of the referendum, the district shall notify the commissioner of education of the results of the referendum.*

Sec. 3. Minnesota Statutes Second 1989 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 second prior school year exceeds \$600 times the actual pupil units in the prior year. 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.

ARTICLE 2 TRANSPORTATION

Section 1. Minnesota Statutes 1988, section 120.73, subdivision 1, is amended to read:

Subdivision 1. A school board is authorized to require payment of fees in the following areas:

(a) In any program where the resultant product, in excess of minimum requirements and at the pupil's option, becomes the personal property of the pupil;

(b) Admission fees or charges for extra curricular activities, where attendance is optional;

(c) A security deposit for the return of materials, supplies, or equipment;

(d) Personal physical education and athletic equipment and apparel, although any pupil may personally provide it if it meets reasonable requirements and standards relating to health and safety established by the school board;

(e) Items of personal use or products which a student has an option to purchase such as student publications, class rings, annuals, and graduation announcements;

(f) Fees specifically permitted by any other statute, including but not limited to section 171.04, clause (1);

(g) Field trips considered supplementary to a district educational program;

(h) Any authorized voluntary student health and accident benefit plan;

(i) For the use of musical instruments owned or rented by the district, a reasonable rental fee not to exceed either the rental cost to the district or the annual depreciation plus the actual annual maintenance cost for each instrument;

(j) Transportation of pupils to and from extra curricular activities conducted at locations other than school, where attendance is optional;

(k) Transportation of pupils to and from school for which aid is not authorized under section 124.223, ~~clause (4) subdivision 1~~, and for which levy is not authorized under section 275.125, subdivision 5e, if a district charging fees for transportation of pupils establishes guidelines for that transportation to ensure that no pupil is denied transportation solely because of inability to pay;

(l) Motorcycle classroom education courses conducted outside of regular school hours; provided the charge shall not exceed the actual cost of these courses to the school district.

Sec. 2. Minnesota Statutes 1988, section 123.39, subdivision 1, is amended to read:

Subdivision 1. The board may provide for the transportation of pupils ~~to and from school, and for any purpose for which aid is authorized under section 124.223.~~ *The board may also provide for the transportation of pupils to schools in other districts for grades and departments not maintained in the district, including high school, at the expense of the district, when funds are available therefor and if agreeable to the district to which it is proposed to transport the pupils, for the whole or a part of the school year, as it may deem advisable, and subject to its rules. Every driver shall possess all the qualifications required by the rules of the state board of education. In any school district, the board shall arrange for the attendance of all pupils living two miles or more from the school through suitable provision for transportation or through the boarding and rooming of the pupils who may be more economically and conveniently provided for by that means. The board shall provide transportation to and from the home of a handicapped child not yet enrolled in kindergarten when special instruction and services under section 120.17 are provided in a location other than in the child's home. When transportation is provided, scheduling of routes, establishment of the location of bus stops, manner and method of transportation, control and discipline of school children and any other matter relating thereto shall be within the sole discretion, control, and management of the school board. The district may provide for the transportation of pupils or expend a reasonable amount for room and board of pupils whose attendance at school can more economically and conveniently be provided for by that means or who attend school in a building rented or leased by a district within the confines of an adjacent district.*

Sec. 3. Minnesota Statutes 1989 Supplement, section 124.223, is amended to read:

124.223 [TRANSPORTATION AID AUTHORIZATION.]

~~School transportation and related services for which state transportation aid is authorized are listed in this section.~~

~~(4) Subdivision 1. [TO AND FROM SCHOOL; BETWEEN SCHOOLS.]~~
 (a) State transportation aid is authorized for transportation or board of resident elementary pupils who reside one mile or more from the public schools which they could attend; transportation or board of resident secondary pupils who reside two miles or more from the public schools which they could attend; transportation to and from schools the resident pupils attend according to a program approved by the commissioner of education, or between the schools the resident pupils attend for instructional classes;

transportation of resident elementary pupils who reside one mile or more from a nonpublic school actually attended; transportation of resident secondary pupils who reside two miles or more from a nonpublic school actually attended; but with respect to transportation of pupils to nonpublic schools actually attended, only to the extent permitted by sections 123.76 to 123.79; transportation of a pupil who is a custodial parent and that pupil's child between the pupil's home and the child care provider and between the provider and the school, if the home and provider are within the attendance area of the school.

(b) For the purposes of ~~clause (1)~~ *this subdivision*, a district may designate a licensed day care facility, respite care facility, the residence of a relative, or the residence of a person chosen by the pupil's parent or guardian as the home of a pupil for part or all of the day, if requested by the pupil's parent or guardian and if that facility or residence is within the attendance area of the school the pupil attends.

(c) State transportation aid is authorized for transportation to and from school of an elementary pupil who moves during the school year within an area designated by the district as a mobility zone, but only for the remainder of the school year. The attendance areas of schools in a mobility zone must be contiguous. To be in a mobility zone, a school must meet both of the following requirements:

(i) more than 50 percent of the pupils enrolled in the school are eligible for free or reduced school lunch; and

(ii) the pupil withdrawal rate for the last year is more than 12 percent.

(d) A pupil withdrawal rate is determined by dividing:

(i) the sum of the number of pupils who withdraw from the school, during the school year, and the number of pupils enrolled in the school as a result of transportation provided under this paragraph, by

(ii) the number of pupils enrolled in the school.

(e) The district may establish eligibility requirements for individual pupils to receive transportation in the mobility zone.

~~(2)~~ *Subd. 2. [OUTSIDE DISTRICT.]* State transportation aid is authorized for transportation to and from or board and lodging in another district, of resident pupils of a district without a secondary school. The pupils may attend a classified secondary school in another district and shall receive board and lodging in or transportation to and from a district having a classified secondary school at the expense of the district of the pupil's residence.

~~(3)~~ *Subd. 3. [SECONDARY VOCATIONAL CENTERS.]* State transportation aid is authorized for transportation to and from a state board approved secondary vocational center for secondary vocational classes for resident pupils of any of the districts who are members of or participating in programs at that center.

~~(4)~~ *Subd. 4. [HANDICAPPED.]* State transportation aid is authorized for transportation or board and lodging of a handicapped pupil when that pupil cannot be transported on a regular school bus, the conveying of handicapped pupils between home or a respite care facility and school and within the school plant, necessary transportation of handicapped pupils from home or from school to other buildings, including centers such as

developmental achievement centers, hospitals and treatment centers where special instruction or services required by section 120.17 are provided, within or outside the district where services are provided, and necessary transportation for resident handicapped pupils required by section 120.17, subdivision 4a. Transportation of handicapped pupils between home or a respite care facility and school shall not be subject to any distance requirement for children not yet enrolled in kindergarten or to the requirement in ~~clause (1)~~ *subdivision 1* that elementary pupils reside at least one mile from school and secondary pupils reside at least two miles from school in order for the transportation to qualify for aid.

~~(5)~~ *Subd. 5.* [BOARD AND LODGING; NONRESIDENT HANDICAPPED.] State transportation aid is authorized for, when necessary, board and lodging for nonresident handicapped pupils in a district maintaining special classes.

~~(6)~~ *Subd. 6.* [SHARED TIME.] State transportation aid is authorized for transportation from one educational facility to another within the district for resident pupils enrolled on a shared time basis in educational programs, and necessary transportation required by section 120.17, subdivision 9, for resident handicapped pupils who are provided special instruction and services on a shared time basis.

~~(7)~~ *Subd. 7.* [FARIBAULT STATE ACADEMIES.] State transportation aid is authorized for transportation for residents to and from the Minnesota state academy for the deaf or the Minnesota state academy for the blind.

~~(8)~~ *Subd. 8.* [SUMMER INSTRUCTIONAL PROGRAMS.] State transportation aid is authorized for services described in ~~clauses (1) to (7), (9), and (10)~~ *subdivisions 1 to 7, 9, and 10* when provided in conjunction with a summer program that meets the requirements of section 124A.27, subdivision 9.

~~(9)~~ *Subd. 9.* [COOPERATIVE ACADEMIC AND VOCATIONAL.] State transportation aid is authorized for transportation to, from or between educational facilities located in any of two or more school districts jointly offering academic classes or secondary vocational classes not provided at a secondary vocational center for resident pupils of any of these districts.

~~(10)~~ *Subd. 10.* [NONPUBLIC SUPPORT SERVICES.] State transportation aid is authorized for necessary transportation within district boundaries between a nonpublic school and a public school or a neutral site for nonpublic school pupils who are provided pupil support services pursuant to section 123.935.

Subd. 11. [POST-SECONDARY INSTITUTIONS.] *State transportation aid is authorized for transportation of pupils enrolled in courses provided under an agreement authorized by section 123.33, subdivision 7, 10 and from a pupil's home and a secondary school or a post-secondary institution, between a secondary school and a post-secondary institution, and between post-secondary institutions.*

Sec. 4. Minnesota Statutes 1989 Supplement, section 124.225, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the terms defined in this subdivision have the meanings given to them.

(a) "FTE" means a transported full-time equivalent pupil whose transportation is authorized for aid purposes by section 124.223.

(b) "Authorized cost for regular transportation" means the sum of:

(1) all expenditures for transportation in the regular category, as defined in paragraph (e), clause (1), for which aid is authorized in section 124.223, plus

(2) an amount equal to one year's depreciation on the district's school bus fleet and mobile units computed on a straight line basis at the rate of 12-1/2 percent per year of the cost of the fleet, plus

(3) an amount equal to one year's depreciation on district school buses reconditioned by the department of corrections computed on a straight line basis at the rate of 33-1/3 percent per year of the cost to the district of the reconditioning, plus

(4) an amount equal to one year's depreciation on the district's type three school buses, as defined in section 169.44, subdivision 15, which were purchased after July 1, 1982, for authorized transportation of pupils, with the prior approval of the commissioner, computed on a straight line basis at the rate of 20 percent per year of the cost of the type three school buses.

(c) "Adjusted authorized predicted cost per FTE" means the authorized cost predicted by a multiple regression formula determined by the department of education and adjusted pursuant to subdivision 7a.

(d) "Regular transportation allowance" for the 1989-1990 school year means the adjusted authorized predicted cost per FTE, inflated pursuant to subdivision 7b.

(e) For purposes of this section, "transportation category" means a category of transportation service provided to pupils:

(1) regular transportation is transportation services provided during the regular school year under section 124.223, ~~clauses (4) subdivisions 1 and (2) 2~~, excluding the following transportation services provided under section 124.223, ~~clause (4) subdivision 1~~: transportation between schools; noon transportation to and from school for kindergarten pupils attending half-day sessions; late transportation home from school for pupils involved in after school activities; transportation of pupils to and from schools located outside their normal attendance areas under the provisions of a plan for desegregation mandated by the state board of education or under court order; and transportation of elementary pupils to and from school within a mobility zone;

(2) nonregular transportation is transportation services provided under section 124.223, ~~clause (4) subdivision 1~~, that are excluded from the regular category, and transportation services provided under section 124.223, ~~clauses (3), (4), (5), (6), (7), (8), (9), and (10) subdivisions 3, 4, 5, 6, 7, 8, 9, 10, and 11~~;

(3) excess transportation is transportation to and from school for secondary pupils residing at least one mile but less than two miles from the public school they could attend or from the nonpublic school actually attended, and transportation to and from school for pupils residing less than one mile from school who are transported because of extraordinary traffic, drug, or crime hazards; and

(4) desegregation transportation is transportation of pupils to and from schools located outside their normal attendance areas under a plan for desegregation mandated by the state board or under court order.

(f) "Mobile unit" means a vehicle or trailer designed to provide facilities for educational programs and services, including diagnostic testing, guidance and counseling services, and health services. A mobile unit located off nonpublic school premises is a neutral site as defined in section 123.932, subdivision 9.

(g) "Current year" means the school year for which aid will be paid.

(h) "Base year" means the second school year preceding the school year for which aid will be paid.

(i) "Base cost" for the 1986-1987 and 1987-1988 base years means the ratio of:

(1) the sum of:

(i) the authorized cost in the base year for regular transportation as defined in clause (b), plus

(ii) the actual cost in the base year for excess transportation as defined in paragraph (e), clause (3),

(2) to the sum of:

(i) the number of FTE pupils transported in the regular category in the base year, plus

(ii) the number of FTE pupils transported in the excess category in the base year.

(j) Base cost for the 1988-1989 base year and later years means the ratio of:

(1) the sum of the authorized cost in the base year for regular transportation as defined in clause (b) plus the actual cost in the base year for excess transportation as defined in clause (e);

(2) to the sum of the number of weighted FTE pupils transported in the regular and excess categories in the base year.

(k) "Predicted base cost" for the 1986-1987 and 1987-1988 base years means the base cost as predicted by subdivision 3.

(l) "Predicted base cost" for the 1988-1989 base year and later years means the predicted base cost as computed in subdivision 3a.

(m) "Pupil weighting factor" for the excess transportation category for a school district means the lesser of one, or the result of the following computation:

(1) divide the square mile area of the school district by the number of FTE pupils transported in the regular and excess categories in the base year;

(2) raise the result in clause (1) to the one-fifth power;

(3) divide four-tenths by the result in clause (2).

The pupil weighting factor for the regular transportation category is one.

(n) "Weighted FTE's" means the number of FTE's in each transportation category multiplied by the pupil weighting factor for that category.

(o) "Sparsity index" for a school district means the greater of .005 or the ratio of the square mile area of the school district to the sum of the

number of weighted FTE's transported by the district in the regular and excess categories in the base year.

(p) "Density index" for a school district means the greater of one or the result obtained by subtracting the product of the district's sparsity index times 20 from two.

(q) "Contract transportation index" for a school district means the greater of one or the result of the following computation:

(1) multiply the district's sparsity index by 20;

(2) select the ~~greater~~ lesser of one or the result in clause (1);

(3) multiply the district's percentage of regular FTE's transported using vehicles that are not owned by the school district by the result in clause (2).

(r) "Adjusted predicted base cost" for the 1988-1989 base year and after means the predicted base cost as computed in subdivision 3a as adjusted under subdivision 7a.

(s) "Regular transportation allowance" for the 1990-1991 school year and after means the adjusted predicted base cost, inflated and adjusted under subdivision 7b.

(t) "Minimum regular transportation allowance" for the 1990-1991 school year and after means the result of the following computation:

(1) compute the sum of the district's basic transportation aid for the 1989-1990 school year according to subdivision 8a and the district's excess transportation levy for the 1989-1990 school year according to section 275.125, subdivision 5e, clause (a);

(2) divide the result in clause (1) by the sum of the number of weighted FTE's transported by the district in the regular and excess transportation categories in the 1989-1990 school year;

(3) select the lesser of the result in clause (2) or the district's base cost for the 1989-1990 base year according to paragraph (j).

Sec. 5. Minnesota Statutes 1989 Supplement, section 124.225, subdivision 8k, is amended to read:

Subd. 8k. [CONTRACTED SERVICES AID REDUCTION.] (a) Each year, a district's transportation aid shall be reduced according to the provisions of this subdivision, if the district contracted for some or all of the transportation services provided in the regular category.

(b) For the 1988-1989 and 1989-1990 school years, the department of education shall compute this subtraction by conducting the multiple regression analysis specified in subdivision 3 and computing the district's aid under two circumstances, once including the coefficient of the factor specified in subdivision 4b, clause (3), and once excluding the coefficient of that factor. The aid subtraction shall equal the difference between the district's aid computed under these two circumstances.

(c) For 1990-1991 and later school years, the department of education shall determine the subtraction by computing the district's regular transportation revenue, *excluding revenue based on the minimum regular transportation allowance*, under two circumstances, once including the factor specified in subdivision 3a, clause (c), and once excluding the factor. The

aid subtraction equals the difference between the district's revenue computed under the two circumstances.

Sec. 6. Minnesota Statutes 1989 Supplement, section 275.125, subdivision 5e, is amended to read:

Subd. 5e. [EXCESS TRANSPORTATION LEVY.] A school district may make a levy for excess transportation costs according to this subdivision. The amount of the levy shall be the result of the following computation:

(a) Multiply the lesser of (1) the regular transportation allowance for the fiscal year to which the levy is attributable, or (2) the base cost for the fiscal year to which the levy is attributable, by the number of weighted FTE pupils transported in the excess category in the district in the current school year.

(b) Add to the result in paragraph (a) the actual cost in the fiscal year to which the levy is attributable of other related services that are necessary because of extraordinary traffic, *drug*, or *crime* hazards.

ARTICLE 3

SPECIAL PROGRAMS

Section 1. Minnesota Statutes 1989 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 129B.56.

(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.

~~For a course having an independent study component, the pupil must complete coursework and receive credit for each course for which the aid is claimed.~~

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 ~~prorated for a pupil receiving fewer than six credits in a year paid for each hour of teacher~~

contact time and each hour of independent study time completed toward a credit necessary for graduation.

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.

A credit for a year in an approved alternative program shall, for the purposes of audit, be considered to be 170 hours of teacher contact time and independent study time.

Sec. 2. Minnesota Statutes 1989 Supplement, section 141.35, is amended to read:

141.35 [EXEMPTIONS.]

None of the provisions of sections 141.21 to 141.36 shall apply to the following:

(a) Colleges authorized by the laws of Minnesota or of any other state or foreign country to grant degrees;

(b) Schools of nursing accredited by the state board of nursing or an equivalent public board of another state or foreign country;

(c) Public schools as defined in section 120.05;

(d) Private schools complying with the requirements of section 120.10, subdivision 2;

(e) Private and parochial nonprofit schools exempt from taxation under the constitution of Minnesota;

(f) Courses taught to students in a valid apprenticeship program taught by or required by a trade union;

(g) Schools exclusively engaged in training physically or mentally handicapped persons for the state of Minnesota;

(h) Schools now or hereafter licensed by boards authorized under Minnesota law to issue such licenses;

(i) Schools and educational programs, or training programs, conducted by persons, firms, corporations, or associations, for the training of their own employees, for which no fee is charged the employee;

(j) Schools engaged exclusively in the teaching of purely avocational or recreational, or remedial subjects as determined by the commissioner. Private schools teaching a method or procedure to increase the speed with which a student reads are not within this exemption;

(k) Driver training schools and instructors as defined in section 171.33, subdivisions 1 and 2;

(l) Classes, courses, or programs conducted by a bona fide trade, professional, or fraternal organization, solely for that organization's membership;

(m) Courses of instruction in the fine arts provided by organizations exempt from taxation pursuant to section 290.05 and registered with the attorney general pursuant to chapter 309. "Fine arts" means activities resulting in artistic creation or artistic performance of works of the imagination which are engaged in for the primary purpose of creative expression rather

than commercial sale or employment. In making this determination the commissioner may seek the advice and recommendation of the Minnesota board of the arts;

(n) Classes, courses, or programs intended to fulfill the continuing education requirements for licensure or certification in a profession, which classes, courses, or programs have been approved by a legislatively or judicially established board or agency responsible for regulating the practice of the profession, and which are offered primarily to a person who currently practices the profession;

(o) Classes, courses, or programs intended to prepare students to sit for undergraduate, graduate, postgraduate, or occupational licensing and occupational entrance examinations;

(p) Classes, courses, or programs of a seminar nature providing 16 or fewer hours of instruction that are not part of the curriculum for an occupation or are not intended to prepare a person for entry level employment;

(q) Classes, courses, or programs of a seminar nature providing instruction in personal development, modeling, or acting; and

(r) Training or instructional programs, in which one instructor teaches an individual student, that are not part of the curriculum for an occupation or are not intended to prepare a person for entry level employment.

Sec. 3. [ALTERNATIVE DELIVERY OF SPECIALIZED INSTRUCTIONAL SERVICES.]

Subdivision 1. [COMMISSIONER APPROVAL.] The commissioner of education may approve proposals submitted by independent school district No. 625, St. Paul, and up to nine additional school districts to explore the feasibility of implementing, during the 1990-1991, 1991-1992, and 1992-1993 school years, an alternative to special education and other compensatory programs. The objective of the alternative program shall be to provide prevention services for learners who, based on documented experiences, would probably be identified for special education and related services under Minnesota Statutes, section 120.17. Learners may be provided services during extended school days or throughout the entire year.

Subd. 2. [PROPOSAL CONTENTS.] The proposal must set forth:

(1) a detailed description of the instructional services for eligible pupils, as defined in Minnesota Statutes, section 124.311, subdivision 3, and handicapped pupils, as defined in Minnesota Statutes, section 120.03;

(2) the specific criteria used to select individual learners for the program and the assessment procedures to be used to determine eligibility;

(3) a description of the methods used to involve parents of learners and parent or community special education advocates in the program;

(4) how the district's accounting procedures will document compliance with federal statutes and rules about supplanting and maintenance of effort;

(5) the type of planning that will occur in each building to involve regular and special education teachers who will implement and be affected by the program;

(6) a description of the program review and evaluation procedures to be implemented by the district that would address at least the following:

- (i) the number of handicapped and nonhandicapped students served;
 - (ii) student progress in the program;
 - (iii) the level of satisfaction teachers, parents, and learners have with the program;
 - (iv) the effect of the program on the number of referrals for special education;
 - (v) the amount of time spent by teachers in procedural activities;
 - (vi) the increase in the amount of time the learner is in a regular education classroom; and
 - (vii) cost implications; and
- (7) any other information requested by the commissioner.

Subd. 3. [REVIEW FOR EXCESS EXPENDITURES.] The commissioner shall review each proposal to determine whether the personnel, equipment, supplies, residential aid, and summer school are actually necessary and essential to meet the district's obligation to provide special instruction and services to handicapped children according to Minnesota Statutes, section 120.17. The commissioner shall not approve aid for any expenditures determined to be not necessary or essential.

Subd. 4. [ANNUAL REPORT.] Each year the district must submit to the commissioner a report containing the information set forth in Minnesota Statutes, section 124.311, subdivision 7.

Subd. 5. [RULE WAIVER.] To the extent a rule of the state board of education impedes implementation of an approved alternative delivery system, it is waived for the 1990-1991, 1991-1992, and 1992-1993 school years. The commissioner shall identify state board rules that are waived.

Subd. 6. [FEDERAL AND STATE STATUTES.] Nothing in this section shall be construed to alter the rights and duties of any learner, parent, or school district under federal or state statutes.

Subd. 7. [REVENUE AVAILABLE.] For fiscal year 1991, a district with an approved program shall receive the sum of the revenue it received for fiscal year 1990 for its special education program under Minnesota Statutes, sections 124.32, subdivisions 1b, 2, 5, and 10, except for summer school programs provided by contracting under subdivision 1d, and 275.125, subdivision 8c, multiplied by 1.03. For each of fiscal years 1992 and 1993, the amount to be paid to a district with an approved program shall be the amount paid for the previous fiscal year multiplied by 1.03.

For fiscal years 1991, 1992, and 1993, the ratio of aid payments for special education under Minnesota Statutes, section 124.32, subdivisions 1b, 2, 5, and 10, except for summer school programs provided by contracting under subdivision 1d, to the levy for special education salaries under Minnesota Statutes, section 275.125, subdivision 8c, shall be equal to the ratio for fiscal year 1990.

For fiscal year 1991, aid for a district with an approved program shall not be prorated.

For fiscal years 1991, 1992, and 1993, the state shall not pay a district with an approved program any aid under Minnesota Statutes, section 124.32, subdivisions 1b, 2, 5, and 10, except for summer school programs provided

by contracting under subdivision 1d, and the district may not levy under Minnesota Statutes, section 275.125, subdivision 8c, except for secondary vocational handicapped teacher salaries, limited English proficiency teacher salaries, deficiencies, and other adjustments.

Sec. 4. [EFFECTIVE DATE.]

Section 1 is retroactively effective July 1, 1989. Section 3 is effective the day following final enactment.

ARTICLE 4

COMMUNITY AND ADULT EDUCATION

Section 1. Minnesota Statutes 1989 Supplement, section 121.912, subdivision 1b, is amended to read:

Subd. 1b. [TRA AND FICA TRANSFER.] (a) Notwithstanding subdivision 1, a district shall transfer money from the general fund to the community education service fund for the employer contributions for teacher retirement and FICA obligations attributable to community education programs for employees who are members of a teacher retirement association and who are paid from the community service fund.

(b) A district shall not transfer money under paragraph (a) for employees who are paid with money other than normal operating funds, as defined in section 354.05, subdivision 27.

Sec. 2. Minnesota Statutes 1988, section 124.261, is amended to read:

124.261 [ADULT HIGH SCHOOL GRADUATION AID.]

Adult high school graduation aid for eligible pupils age 21 or over, equals ~~an allowance of~~ 65 percent of the general education formula allowance times 1.35 times the average daily membership under section 124.17, subdivision 2e. Adult high school graduation aid must be paid in addition to any other aid to the district. ~~Average daily membership of eligible Pupils must age 21 or over may not be used in the computation of pupil units under section 124.17, subdivision 1, counted by the district for any purpose other than the computation of adult high school graduation aid.~~

Sec. 3. Minnesota Statutes 1989 Supplement, section 126.22, subdivision 2, is amended to read:

Subd. 2. [ELIGIBLE PUPILS.] The following pupils are eligible to participate in the high school graduation incentives program:

(a) any pupil who, *except for eligibility under clause (6)*, is between the ages of 12 and 16 and who:

(1) is at least two grade levels below the performance level for pupils of the same age in a locally determined achievement test; or

(2) is at least one year behind in obtaining credits for graduation; or

(3) is pregnant or is a parent; or

(4) has been assessed as chemically dependent; or

(5) has been excluded or expelled according to sections 127.26 to 127.39; or

(6) *is between the ages of 12 and 21 and has been referred by a school district for enrollment in an eligible program or a program pursuant to*

section 126.23; *or*

(b) any pupil who is between the ages of 16 and 19 who is attending school, and who is at least two grade levels below the performance level for pupils of the same age in a locally determined achievement test, or is at least one year behind in obtaining credits for graduation, or is pregnant or is a parent, or has been assessed as chemically dependent; *or*

(c) any person between 16 and 21 years of age who has not attended a high school program for at least 15 consecutive school days, excluding those days when school is not in session, and who is at least two grade levels below the performance level for pupils of the same age in a locally determined achievement test, or is at least one year behind in obtaining credits for graduation, or is pregnant or is a parent, or has been assessed as chemically dependent; *or*

(d) any person who is at least 21 years of age and who:

(1) has received less than 14 years of public or nonpublic education, beginning at age 5;

(2) has already completed the studies ordinarily required in the 10th grade but has not completed the requirements for a high school diploma or the equivalent; and

(3) at the time of application, (i) is eligible for unemployment compensation benefits or has exhausted the benefits, (ii) is eligible for or is receiving income maintenance and support services, as defined in section 268.0111, subdivision 5, or (iii) is eligible for services under the displaced homemaker program, state wage-subsidy program, or any programs under the federal Jobs Training Partnership Act or its successor-; *or*

(e) *beginning with the 1989-1990 school year, any elementary school pupil who is determined by the district of attendance to be at risk of not succeeding at school; or*

(f) notwithstanding section 127.27, subdivision 7, the provisions of section 127.29, subdivision 1, do not apply to a pupil under age 21 who participates in the high school graduation incentives program.

Sec. 4. Minnesota Statutes 1989 Supplement, section 126.22, subdivision 3, is amended to read:

Subd. 3. [ELIGIBLE PROGRAMS.] (a) A pupil who is eligible according to subdivision 2, clause (a), (b), (c), ~~or~~ (d), *or* (e) may enroll in any program approved by the state board of education under Minnesota Rules, part 3500.3500, ~~including~~ *or* area learning centers under sections 129B.52 to 129B.55, or according to section 121.11, subdivision 12.

(b) A pupil who is eligible according to subdivision 2, clause (b), (c), or (d), may enroll in post-secondary courses under section 123.3514.

(c) A pupil who is eligible under subdivision 2, clause (a), (b), (c), ~~or~~ (d), *or* (e), may enroll in any public *elementary or* secondary education program. However, a person who is eligible according to subdivision 2, clause (d), may enroll only if the school board has adopted a resolution approving the enrollment.

(d) (1) A pupil who is eligible under subdivision 2, clause (a), (b), ~~or~~ (c), *or* (e), may enroll *part time or full time* in any nonprofit, nonpublic, nonsectarian school that has contracted with the school district of residence

to provide educational services.

(2) A pupil who is at least 16 years of age, who is eligible under subdivision 2, clause (a), (b), or (c), and who has been enrolled only in a public school, if the pupil has been enrolled in any school, during the year immediately before transferring under this paragraph, may transfer to any nonprofit, nonpublic school that has contracted with the school district of residence to provide nonsectarian educational services.

(e) An eligible institution providing eligible programs as defined in this subdivision may contract with an entity providing adult basic education programs under the community education program contained in section 121.88 for actual program costs.

Sec. 5. [EFFECTIVE DATE.]

Section 2 is retroactively effective July 1, 1989.

ARTICLE 5

FACILITIES

Section 1. Minnesota Statutes 1989 Supplement, 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 the unreserved balance in the capital expenditure facilities account on June 30 of the ~~second~~ 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 ~~second~~ prior school year is zero.

Sec. 2. Minnesota Statutes 1989 Supplement, section 275.125, subdivision 11d, is amended to read:

Subd. 11d. [EXTRA CAPITAL EXPENDITURE LEVY FOR LEASING BUILDINGS.] When a district finds it economically advantageous to rent or lease a building *or site*, or to purchase a building and site under an installment purchase agreement, lease purchase agreement, or any other deferred payment agreement authorized under section 465.71, for any instructional purposes and it determines that the capital expenditure facilities revenues authorized under section 124.243 are insufficient for this purpose, it may apply to the commissioner for permission to make an additional capital expenditure levy for this purpose. An application for permission to levy under this subdivision must contain financial justification for the proposed levy, the terms and conditions of the proposed lease or agreement, and a description of the space to be leased or purchased according to any type of deferred payment agreement, and its proposed use. The criteria for approval of applications to levy under this subdivision must include: the reasonableness of the price, the appropriateness of the space to the proposed activity, the feasibility of transporting pupils to the building *or site*, conformity of the lease or agreement to the laws and rules of the state of Minnesota, and the appropriateness of the proposed lease or agreement to the space needs and the financial condition of the district. The commissioner must not authorize a levy under this subdivision in an

amount greater than the cost to the district of renting or leasing or purchasing a building *or site* for approved purposes. The proceeds of this levy must not be used for custodial or other maintenance services or to purchase a building newly constructed under an installment purchase agreement, lease purchase agreement, or any other deferred payment agreement authorized under section 465.71.

Sec. 3. Minnesota Statutes 1989 Supplement, section 326.03, subdivision 2, is amended to read:

Subd. 2. Nothing contained in sections 326.02 to 326.15 shall prevent persons from advertising and performing services such as consultation, investigation, or evaluation in connection with, or from making plans and specifications for, or from supervising, the erection, enlargement, or alteration of any of the following buildings:

(a) Dwellings for single families, and outbuildings in connection therewith, such as barns and private garages;

(b) Two family dwellings;

(c) Any farm building or accessory thereto; *or*

(d) Temporary buildings or sheds used exclusively for construction purposes, not exceeding two stories in height, and not used for living quarters; ~~or~~

~~(e) Any public work or public improvement done by a public body in this state where the cost of the work or improvement does not exceed \$100,000.~~

Sec. 4. [EFFECTIVE DATE.]

Section 3 is effective March 15, 1991.

ARTICLE 6

COOPERATIVE PROGRAMS

Section 1. Minnesota Statutes Second 1989 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 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 31.0 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) 31.0 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, subdivision 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, amounts levied for education district bonds under section 122.96, subdivision 5, 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 1989 Supplement, section 122.241, subdivision 2, is amended to read:

Subd. 2. [COOPERATION REQUIREMENTS.] Cooperating districts shall:

(1) ~~have~~ *implement* a written agreement according to section 122.541 *no later than the first year of cooperation; and*

(2) all be members of one education district, if any one of the districts is a member; ~~and~~

~~(3) all be members of one ECSU, if any one of the districts is a member no later than the end of the second year of cooperation.~~

Sec. 3. Minnesota Statutes 1989 Supplement, section 122.241, subdivision 3, is amended to read:

Subd. 3. [COMBINATION REQUIREMENTS.] Combining districts must be contiguous and meet one of the following requirements at the time of combination:

(1) at least two districts with at least 400 resident pupils enrolled in grades 7 through 12 in the combined district and projections, approved by the department of education, of enrollment at least at that level for five years;

(2) at least two districts, both of which qualify for sparsity revenue under section 124A.22, subdivision 6, and have an average isolation index over 23; or

(3) at least three districts with fewer than 400 resident pupils enrolled in grades 7 through 12 in the combined district *and the combination is approved by the state board of education.*

A combination under clause (3) must be approved by the state board of education.

The state board may approve a combination under clause (1) of two districts with projected enrollments of fewer than 400 resident pupils enrolled in grades seven through 12 in the combined district if the state board determines that the combination would be in the best interests of the pupils of the two districts and that no other contiguous district is willing to enter into an agreement under this section with those two districts.

The state board shall disapprove a combination under clause (3) if the combination is educationally unsound or would not reasonably enable the districts to fulfill statutory and rule requirements.

Sec. 4. Minnesota Statutes 1989 Supplement, section 122.242, subdivision 10, is amended to read:

Subd. 10. [BUILDING SITES.] The plan must provide for:

(1) locations for elementary schools which need not be altered and may contain assurances that, to the extent feasible, elementary schools will be retained for at least the number of years specified in the plan; and

(2) one location, if possible, for a secondary school.

Notwithstanding sections 122.241, subdivision 2, and 122.541, subdivision 1, the state board may approve a plan for more than one location for a secondary school, according to criteria established by the board.

Sec. 5. Minnesota Statutes 1989 Supplement, section 122.243, subdivision 2, is amended to read:

Subd. 2. [VOTER APPROVAL.] During the *first or second* year of cooperation, a referendum on the question of combination shall be conducted. 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 same question may not be submitted. A different question may be submitted on any date before October 1. Referendums shall be conducted on the same date in all districts.

Sec. 6. Minnesota Statutes 1988, section 122.535, is amended by adding a subdivision to read:

Subd. 6. [SEVERANCE PAY.] *A district may pay severance pay to a teacher who is:*

(1) *placed on unrequested leave of absence by the district because the teacher's position is discontinued as a result of the agreement; and*

(2) *not employed by the district providing secondary instruction.*

The severance pay shall be equivalent to the teacher's salary for one year and is subject to section 465.72. The district may levy according to section 18 for the severance pay.

Sec. 7. Minnesota Statutes 1988, section 122.94, subdivision 5, is amended to read:

Subd. 5. [ATTENDANCE IN OTHER DISTRICTS.] (a) The agreement may provide for a pupil who is a resident of a member district to enroll in programs or courses offered by another member district or transfer to another member district. A pupil and parent shall consult with a career teacher, counselor, or principal before transferring to another district. The agreement shall specify procedures for reimbursement among the member districts. The district of residence shall count all resident pupils who enroll in programs or courses or transfer to another district as its pupils for the purpose of state aid and levy limitations. The agreement shall determine whether transportation is available for pupils enrolled in programs or courses or transferring to another district.

(b) *A pupil may also transfer according to section 120.062.*

Sec. 8. Minnesota Statutes 1989 Supplement, section 122.94, subdivision 6, is amended to read:

Subd. 6. [COMMON ACADEMIC CALENDAR.] For ~~1990-1991~~ 1991-1992 and later school years, the agreement must require a common academic calendar for all member districts of an education district. For purposes of this subdivision, a common academic calendar must include at least the following:

- (1) the number of days of instruction;
- (2) the first and last days of instruction in a school year; and
- (3) the specific days reserved for staff development.

Before the 1990-1991 school year, each education district must report to the state board of education on ways that other components of the academic calendar in each member district will affect the implementation of the five-year plan described in section 122.945. Other components include the length of the school day, the time the school day begins and ends, and the number of periods in the day.

Sec. 9. Minnesota Statutes 1989 Supplement, section 122.945, subdivision 2, is amended to read:

Subd. 2. [SUBMISSION AND APPROVAL OF FIVE-YEAR PLAN.] Each education district must submit a five-year plan developed according to subdivision 1 to the state board of education. An education district established before ~~January~~ November 1, ~~1990~~ 1989, must submit a plan to the state board by April 1, 1990. An education district established after ~~December 31~~ October 31, 1989, must submit a plan to the state board by ~~April~~ June 1 of the first year that the education district will certify the amount of education district revenue to be raised under section 124.2721. The board must approve or disapprove the plan within 60 days of receiving it from the education district.

Sec. 10. Minnesota Statutes 1988, section 123.3514, subdivision 6, 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.

The amount paid for each pupil shall be subtracted from the general education aid paid to the pupil's ~~resident~~ district of attendance. If the amount to be subtracted is greater than the amount of general education aid due the district, the excess reduction shall be made from other state aids due to the district. 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.

Sec. 11. Minnesota Statutes 1988, section 123.3514, subdivision 6b, 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.

The amount of tuition reimbursement paid for each pupil shall be subtracted from the adult high school graduation aid paid to the pupil's ~~resident~~ district of attendance. 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.

Sec. 12. Minnesota Statutes 1988, section 123.39, subdivision 6, is amended to read:

Subd. 6. The board may transport pupils residing outside of the district but attending school therein if these pupils present themselves within the

resident or nonresident district on one of the regular routes traveled in the transportation of the pupils of the district.

Sec. 13. Minnesota Statutes 1989 Supplement, section 123.58, subdivision 4, is amended to read:

Subd. 4. [MEMBERSHIP AND PARTICIPATION.] Full membership in an ECSU shall be limited to public school districts of the state but nonvoting associate memberships shall be available to nonpublic school administrative units within the ECSU. Participation in programs and services provided by the ECSU shall be discretionary. No school district shall be compelled to participate in these services under authority of this section. However, all school districts whose central administrative offices are within that ECSU whose boundaries coincide with those of development region 11 shall participate in the planning and planning research functions of that ECSU. ~~All of the members of an education district shall belong to the same ECSU, if any members belong to an ECSU.~~ No planning or planning research decision of that ECSU shall be binding on these region 11 districts. Nonpublic school students and personnel are encouraged to participate in programs and services to the extent allowed by law.

Sec. 14. Minnesota Statutes 1989 Supplement, 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 referendum fails under section 122.243, subdivision 2, *revenues shall be determined under this subdivision beginning with the following fiscal year.* Cooperation and combination revenue shall equal \$60 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 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 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. 15. Minnesota Statutes 1989 Supplement, section 124.2725, is amended by adding a subdivision to read:

Subd. 16. [COMBINATION AFTER ONE YEAR OF COOPERATION.] Notwithstanding subdivisions 4 and 5, revenue for districts that combine after one year of cooperation shall be the same as for districts that cooperate for two years. The first three years of combination shall be deemed to be the second year of cooperation and the first and second year of combination.

Sec. 16. Minnesota Statutes 1989 Supplement, section 124.2725, is amended by adding a subdivision to read:

Subd. 17. [EXCLUSION FROM FUND BALANCE.] Revenue under this section shall be excluded from the net unreserved operating fund balance for the purposes of section 124A.26.

Sec. 17. Minnesota Statutes 1988, section 124.494, is amended by adding a subdivision to read:

Subd. 7. [PROCEDURES FOR FUTURE GRANTS.] Sections 122.241 to 122.248 apply to grants awarded after July 1, 1990. To the extent a provision of this section is inconsistent with sections 122.241 to 122.248, it is without effect.

Sec. 18. Minnesota Statutes 1988, section 275.125, subdivision 4, is amended to read:

Subd. 4. [MISCELLANEOUS LEVY AUTHORIZATIONS.] A school district may levy the amounts necessary to make payments for bonds issued and for interest thereon, including the bonds and interest thereon, issued as authorized by Minnesota Statutes 1974, section 275.125, subdivision 3, clause (7)(C); the amounts necessary for repayment of debt service loans and capital loans; the amounts necessary to pay the district's obligations under section 6.62; the amount authorized for liabilities of dissolved districts pursuant to section 122.45; the amounts necessary to pay the district's obligations under section 268.06, subdivision 25; the amounts necessary to pay for job placement services offered to employees who may become eligible for benefits pursuant to section 268.08; the amounts necessary to pay the district's obligations under section 127.05; the amounts authorized by section 122.531; and the amounts necessary to pay the district's obligations under section 122.533; and for severance pay authorized by section 6.

ARTICLE 7

OTHER EDUCATION PROGRAMS

Section 1. Minnesota Statutes 1989 Supplement, section 121.111, subdivision 1, is amended to read:

121.111 [OFFICE OF EDUCATIONAL LEADERSHIP]

Subdivision 1. [ESTABLISHMENT.] The commissioner shall maintain an office of educational leadership is established within the department of education. The purpose of the office is to assist school districts, education districts, and other education organizations in developing education policies that maximize the learning of all pupils.

Sec. 2. Minnesota Statutes 1989 Supplement, section 121.111, subdivision 2, is amended to read:

Subd. 2. [OFFICE STRUCTURE MANAGEMENT.] ~~The assistant commissioner of instructional effectiveness, in consultation with the assistant commissioner of development and partnership effectiveness, shall administer the office of educational leadership.~~ A director in the unclassified service appointed by the assistant commissioner of instructional effectiveness shall manage the office.

Sec. 3. Minnesota Statutes 1989 Supplement, section 123.33, subdivision 7, is amended to read:

Subd. 7. The board shall superintend and manage the schools of the district; adopt rules for their organization, government, and instruction; keep registers; and prescribe textbooks and courses of study. The board may ~~arrange~~ enter into an agreement with a post-secondary institution for secondary or post-secondary courses ~~for to be taught at a secondary pupils that are offered by a post-secondary institution school or a post-secondary~~

institution.

Sec. 4. Minnesota Statutes 1988, section 123.36, subdivision 5, is amended to read:

Subd. 5. The board may authorize the use of any schoolhouses in the district for divine worship, Sunday schools, public meetings, elections, *post-secondary instruction*, and ~~such~~ other community purposes *as that*, in its judgment, will not interfere with their use for school purposes; ~~but~~. Before permitting ~~such use any of these uses~~, the board may require a cash or corporate surety bond in a reasonable amount conditioned for the proper use of ~~such the~~ schoolhouse, the payment of all rent, and the repair of all damage occasioned by ~~such the use; and~~. It may *determine a reasonable charge and collect for the use of the district from the persons using such the schoolhouse such reasonable compensation as it may fix.*

It may authorize the use of any schoolhouses or buildings ~~in and of~~ *owned by* the district for ~~the holding of~~ primaries, elections, registrations, and ~~all action in connection therewith in such manner as in its judgment; related activities if the board determines that the use will not interfere with their use for school purposes.~~ It may impose ~~such~~ reasonable regulations and conditions upon ~~such the~~ use as may seem necessary and proper.

Sec. 5. Minnesota Statutes 1988, section 123.9361, is amended to read:

123.9361 [ADMINISTRATIVE COSTS.]

Each year, a school district or intermediary service area may claim and receive from the department of education an additional sum for the ~~actual cost of administration of sections 123.933 and 123.935, which shall not exceed an amount~~ equal to five percent of the district's or area's allocation for that year pursuant to those sections.

Sec. 6. Minnesota Statutes 1988, section 123.947, is amended to read:

123.947 [RESTRICTIONS TO PREVENT IMPROPER USE OF INDIVIDUALIZED INSTRUCTIONAL MATERIALS.]

(a) The department of education shall assure that *textbooks and* individualized instructional materials loaned to nonpublic school pupils are secular, neutral, nonideological and that they are incapable of diversion for religious use.

(b) *Textbooks and* individualized instructional materials shall not be used in religious courses, devotional exercises, religious training or any other religious activity.

(c) *Textbooks and* individualized instructional materials shall be loaned only to individual pupils upon the request of a parent or guardian or the pupil on a form designated for this use by the department of education. The request forms shall provide for verification by the parent or guardian or pupil that the requested *textbooks and* individualized instructional materials are for the use of the individual pupil in connection with a program of instruction in the pupil's elementary or secondary school.

(d) ~~The department of education or the~~ servicing school district or the intermediary service area shall take adequate measures to ensure an accurate and periodic inventory of all *textbooks and* individualized instructional materials loaned to elementary and secondary school pupils attending nonpublic schools. The state board of education shall promulgate rules under the provisions of chapter 14 to terminate the eligibility of any nonpublic

school pupil if the department or the servicing school district or intermediary service area of education determines, after notice and opportunity for hearing, that the textbooks or individualized instructional materials have been used in a manner contrary to the provisions of section 123.932, subdivision 1e, 123.933 or this section or any rules promulgated by the state board of education.

(e) Nothing contained in section 123.932, subdivision 1e, 123.933 or this section shall be construed to authorize the making of any payments to a nonpublic school or its faculty, staff or administrators for religious worship or instruction or for any other purpose.

Sec. 7. [125.188] [ALTERNATIVE PREPARATION LICENSING.]

Subdivision 1. [REQUIREMENTS.] (a) A preparation program that is an alternative to the post-secondary teacher preparation program as a means to acquire an entrance license is established. The program may be offered in any instructional field.

(b) To participate in the alternative preparation program, the candidate must:

(1) have a bachelor's degree;

(2) pass an examination of skills in reading, writing, and mathematics as required by section 125.05;

(3) have been offered a job to teach in a school district, group of districts, or an education district approved by the board of teaching to offer an alternative preparation licensure program;

(4)(i) have a college major in the subject area to be taught; or

(ii) have five years of experience in a field related to the subject to be taught; and

(5) document successful experiences working with children.

(c) An alternative preparation license is of one year duration and is issued by the board of teaching to participants on admission to the alternative preparation program.

Subd. 2. [CHARACTERISTICS.] The alternative preparation program has the following characteristics:

(1) staff development conducted by a resident mentorship team made up of administrators, teachers, and post-secondary faculty members;

(2) an instruction phase involving intensive preparation before assuming responsibility for a classroom;

(3) formal instruction and peer coaching during the school year;

(4) assessment, supervision, and evaluation of a candidate to determine the candidate's specific needs and to try to ensure satisfactory completion of the program;

(5) a research based and results oriented approach focused on skills teachers need to be effective;

(6) assurance of integration of education theory and classroom practices; and

(7) the shared design and delivery of staff development between school

district personnel and post-secondary faculty.

Subd. 3. [PROGRAM APPROVAL.] (a) The board of teaching shall approve alternative preparation programs based on criteria adopted by the board, after receiving recommendations from an advisory task force appointed by the board.

(b) An alternative preparation program at a school district, group of schools, or an education district must be affiliated with a post-secondary institution that has a teacher preparation program.

Subd. 4. [APPROVAL FOR STANDARD ENTRANCE LICENSE.] The resident mentorship team must prepare for the board of teaching an evaluation report on the performance of the alternative preparation licensee during the school year and a positive or negative recommendation on whether the alternative preparation licensee shall receive a standard entrance license.

Subd. 5. [STANDARD ENTRANCE LICENSE.] The board of teaching shall issue a standard entrance license to an alternative preparation licensee who has successfully completed the school year in the alternative preparation program and who has received a positive recommendation from the licensee's mentorship team.

Subd. 6. [QUALIFIED TEACHER.] A person with a valid alternative preparation license is a qualified teacher within the meaning of section 125.04.

Sec. 8. Minnesota Statutes 1988, section 125.231, subdivision 6, is amended to read:

Subd. 6. [REPORT TO THE LEGISLATURE.] By January 1, ~~1988~~ 1991, the commissioner of education shall report to the legislature on how the teacher mentoring task force recommendations are being implemented for a system of incentives at the state and local level to assure that highly capable individuals are attracted to and retained in the teaching profession and for ways in which the roles of teachers can be expanded to be different and more professional.

By January 1 of ~~1989~~ and 1990 and 1991, the commissioner of education shall report to the legislature on the design, development, implementation, and evaluation of the mentorship program.

Sec. 9. Minnesota Statutes 1989 Supplement, section 129.128, is amended to read:

129.128 [COMMISSIONER DIRECTOR TO REPORT ON LEAGUE TO LEGISLATURE.]

Subdivision 1. [ANNUALLY ANNUAL REPORT.] ~~The commissioner of education~~ *executive director* must report to the legislature before each regular session on the activities of the league.

Subd. 2. [URGE NEEDED LAWS RECOMMEND LEGISLATION.] ~~The commissioner~~ *executive director* must recommend to the legislature whether any legislation is made necessary by league activities.

Sec. 10. Laws 1989, chapter 329, article 11, section 15, subdivision 2, is amended to read:

Subd. 2. [TEACHER MENTORSHIP.] *(a) For grants* To develop mentoring programs in school districts according to Minnesota Statutes, section

125.231:

\$250,000 1990

\$250,000 1991

Any unexpended balance in the first year does not cancel and is available for the second year.

(b) Of the amounts in paragraph (a), \$110,000 each year is to provide approximately \$10,000 each year for each existing demonstration site to refine its program and disseminate services and materials to schools that are interested in developing a mentoring program. The pilot sites must provide exemplary mentoring processes and assist the department of education in working with new sites that are planning to adopt or adapt specific mentorship programs or components of those programs. The department shall encourage cooperation with career teacher programs.

(c) Of the amounts in paragraph (a), \$90,000 each year is for start-up money of up to \$5,000 each for a minimum of 18 new districts or groups of districts to adopt or adapt an existing mentorship program for five or more probationary teachers. The criteria and process in Minnesota Statutes, section 125.231, subdivisions 3 and 4, must be used. Participants from the adoption grant sites must attend regional and statewide training sessions and visit and collaborate with the exemplary sites.

(d) Of the amounts in paragraph (a), \$50,000 each year is to evaluate the program, to put on regional and statewide events, including conferences, seminars, and for meetings to provide staff development and technical assistance for district teams funded to adopt or adapt components implemented by existing pilot sites. The events must be available to districts interested in developing a mentorship program without applying for an adoption grant. The department may contract with districts having exemplary sites and others to develop guidelines and materials and provide staff development. Fees may be charged for meals, materials, and the like.

Sec. 11. Laws 1989, chapter 329, article 11, section 15, subdivision 12, is amended to read:

Subd. 12. [ACADEMIC EXCELLENCE FOUNDATION.] For the academic excellence foundation according to Minnesota Statutes, section 121.612:

\$160,000 1990

\$160,000 1991

Up to \$50,000 each year is contingent upon the department's receipt match of \$1 from private sources, consisting of either direct or in-kind contributions of money, related goods, or services, for each \$1 of the appropriation. The commissioner of education must certify receipt of the money or documentation for the private matching funds or in-kind contributions. The unencumbered balance from the amount actually appropriated from the contingent amount in 1990 does not cancel but is available in 1991. The amount carried forward must not be used to establish a larger annual base appropriation for later fiscal years.

Sec. 12. [SHAKOPEE; 1991 AID CALCULATIONS.]

Subdivision 1. [ADJUSTMENTS.] For purposes of determining state aids for taxes payable in 1991, the fiscal disparity prior year adjustments in the city of Shakopee for taxes payable years 1986, 1987, and 1988 shall not be

recognized.

Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day following compliance by the Shakopee city council with Minnesota Statutes, section 645.021, subdivision 2.

Sec. 13. [1989-1990 ABATEMENT AID.]

If a district qualifies for:

(1) general education aid for fiscal year 1990 only because of Laws 1989, chapter 329, article 1, section 6; or

(2) early childhood family education aid for fiscal year 1990 only because of Laws 1989, chapter 329, article 4, section 11; or

(3) community education aid only because of Laws 1989, chapter 329, article 4, section 12, subdivision 3a;

it does not qualify for abatement aid for fiscal year 1990 under Minnesota Statutes, section 124.214, subdivision 2.

Sec. 14. [EFFECTIVE DATE.]

Sections 10 and 11 are effective the day following final enactment.

ARTICLE 8

MISCELLANEOUS

Section 1. Minnesota Statutes 1989 Supplement, 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 research, senate counsel, 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;
OF

(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.*

Sec. 2. Minnesota Statutes 1989 Supplement, section 121.612, subdivision 3, is amended to read:

Subd. 3. [BOARD OF DIRECTORS.] The board of directors of the foundation shall consist of the commissioner of education, a member of the state board of education selected by the state board who shall serve as chair and ~~15~~ 20 members to be appointed by the governor. Of the ~~15~~ 20 members appointed by the governor, ~~six~~ eight shall represent ~~various a variety of~~ education groups and ~~nine~~ 12 shall represent ~~various a variety of~~ business groups. The commissioner of education shall serve as secretary for the board of directors and provide administrative support to the foundation. An executive committee of the foundation board composed of the board officers and chairs of board committees, may only advise and make recommendations to the foundation board.

Sec. 3. Minnesota Statutes 1989 Supplement, section 121.612, subdivision 5, is amended to read:

Subd. 5. [POWERS AND DUTIES.] The foundation may:

(1) establish and collect membership fees;

(2) publish brochures or booklets relating to the purposes of the foundation and collect reasonable fees for the publications;

(3) receive money ~~and~~, grants, *and in-kind goods or services* from non-state sources for the purposes of the foundation;

(4) contract with consultants; and

(5) expend money for awards and other forms of recognition and appreciation.

Sec. 4. Minnesota Statutes 1988, section 123.34, subdivision 10, is amended to read:

Subd. 10. Each *public* school building ~~or unit of classification~~, as ~~designated~~ *defined* by section 120.05, subdivision 2, clauses (1), (2) and

(3), in an independent school district shall be under the supervision of a principal who is assigned to that responsibility by the board of education in that school district upon the recommendation of the superintendent of schools of that school district.

Each principal assigned the responsibility for the supervision of a school building ~~or units of classification~~ shall hold valid certification in the assigned position of supervision and administration as established by the rules of the state board of education.

The principal shall provide administrative, supervisory and instructional leadership services, under the supervision of the superintendent of schools of the school district and in accordance with the policies, rules and regulations of the board of education, for the planning, management, operation and evaluation of the education program of the building or buildings to which the principal is assigned.

Sec. 5. Minnesota Statutes 1988, section 123.37, subdivision 1, is amended to read:

Subdivision 1. No contract for work or labor, or for the purchase of furniture, fixtures, or other property, except books registered under the copyright laws, or for the construction or repair of school houses, the estimated cost or value of which shall exceed that specified in section 471.345, subdivision 3, shall be made by the school board without first advertising for bids or proposals by two weeks' published notice in the official newspaper. This notice shall state the time and place of receiving bids and contain a brief description of the subject matter.

Additional publication in the official newspaper or elsewhere may be made as the board shall deem necessary.

After taking into consideration conformity with the specifications, terms of delivery, and other conditions imposed in the call for bids, every such contract shall be awarded to the lowest responsible bidder, be duly executed in writing, and be otherwise conditioned as required by law. The person to whom the contract is awarded shall give a sufficient bond to the board for its faithful performance. *Notwithstanding section 574.26 or any other law to the contrary, on a contract limited to the purchase of a finished tangible product, a school board may require, at its discretion, a performance bond of a contractor in the amount the board considers necessary.* A record shall be kept of all bids, with names of bidders and amount of bids, and with the successful bid indicated thereon. A bid containing an alteration or erasure of any price contained in the bid which is used in determining the lowest responsible bid shall be rejected unless the alteration or erasure is corrected as herein provided. An alteration or erasure may be crossed out and the correction thereof printed in ink or typewritten adjacent thereto and initialed in ink by the person signing the bid. In the case of identical low bids from two or more bidders, the board may, at its discretion, utilize negotiated procurement methods with the tied low bidders for that particular transaction, so long as the price paid does not exceed the low tied bid price. In the case where only a single bid is received, the board may, at its discretion, negotiate a mutually agreeable contract with the bidder so long as the price paid does not exceed the original bid. If no satisfactory bid is received, the board may readvertise. Standard requirement price contracts established for supplies or services to be purchased by the district shall be established by competitive bids. Such standard requirement price contracts may contain escalation clauses and may provide for a negotiated

price increase or decrease based upon a demonstrable industrywide or regional increase or decrease in the vendor's costs. Either party to the contract may request that the other party demonstrate such increase or decrease. The term of such contracts shall not exceed two years with an option on the part of the district to renew for an additional two years. Provided that in the case of purchase of perishable food items except milk for school lunches and vocational training programs a contract of any amount may be made by direct negotiation by obtaining two or more written quotations for the purchase or sale, when possible, without advertising for bids or otherwise complying with the requirements of this section or section 471.345, subdivision 3. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof.

Every contract made without compliance with the provisions of this section shall be void. Provided, that in case of the destruction of buildings or injury thereto, where the public interest would suffer by delay, contracts for repairs may be made without advertising for bids.

Sec. 6. [123.511] [CHARTERED SCHOOLS.]

Subdivision 1. [DEFINITION.] A charter is a binding agreement between a school district or the state board of education and parents, educators, and others to establish and operate a public school to provide innovative learning opportunities for children. A chartered school is a public school. The courses of study shall meet the state standards for similar courses in school districts unless a waiver has been granted by the state board of education.

Subd. 2. [AUTHORIZATION.] Five school districts may grant a charter for a school according to this section. After June 30, 1993, the state board of education, according to criteria and procedures adopted by the board, may grant a charter to an applicant if five school districts have not granted a charter.

Subd. 3. [APPLICATION.] An application for a chartered school may be submitted by a group of teachers, administrators, or parents. A full- or part-time program may be chartered. The chartered school may be within an existing school or any other location in the district. An application must include at least the following:

(1) a statement of purpose that addresses the way in which the school would provide innovative learning opportunities for children;

(2) a structure for the governance of the school that includes joint decision making by parents, teachers, administrators, and other people associated with the school;

(3) a budget and plan for the financial operation of the school;

(4) identified learner outcomes and methods of assessment and evaluation;

(5) an explanation of the children expected to enroll in the school and methods of providing information about the school to the children and their parents; and

(6) evidence of an agreement with all of the bargaining units that bargain with the district about employment procedures for the chartered school.

Subd. 4. [NOTIFICATION TO APPLICANTS.] The school board must notify an applicant within 90 days of receiving the application whether or not a charter is granted. If the charter is rejected, the notice must include

specific reasons for the rejection. An application may not be resubmitted until one year after rejection.

Subd. 5. [OPERATION OF A CHARTERED SCHOOL.] The governing body of the chartered school shall manage the school and share authority and responsibility for providing instruction and educational services. The governing body may adopt rules for its operation, instruction, and records, and prescribe textbooks and courses of study.

Subd. 6. [CHARTER MODIFICATION.] A charter may be modified at any time by a resolution of both the governing body of the chartered school and the board that granted the charter.

Subd. 7. [DURATION.] The duration of a charter is perpetual, except that the governing body of a chartered school may relinquish the charter at any time.

Subd. 8. [REVOCATION.] A charter may be revoked at any time by the school board for the following reasons:

- (1) violation of the law;*
 - (2) violation of the charter;*
 - (3) mismanagement;*
 - (4) insolvency;*
 - (5) loss of accreditation;*
 - (6) poor overall pupil performance as measured against pupil outcomes;*
- or*

(7) failure to meet accountability provisions of the charter. In lieu of revocation, the board may accept a plan to meet the accountability provisions.

Subd. 9. [ACCREDITATION.] A chartered school must meet the accreditation standards of an accrediting body approved by the state board within three years of being chartered.

Subd. 10. [INCORPORATION.] A chartered school must be incorporated under chapter 317.

Subd. 11. [WAIVER OF RULES.] The state board of education, upon receiving evidence that learning opportunities for pupils would be enhanced by the chartered school, may grant a waiver to a chartered school from any rule established by the board.

Subd. 12. [CHARTERED SCHOOL TEACHERS.] Teachers employed by the chartered school are included within the appropriate unit of the school district for purposes of chapter 179A.

Subd. 13. [CHARTER PROVISIONS.] The charter must provide for the following, as agreed upon by the charter granting board and the governing body of the chartered school:

- (1) accountability measures for the school and procedures for the charter granting board to make recommendations to the school when the board determines improvements are needed;*
- (2) financial arrangements, including state and federal aids, levy revenues, and other sources of revenue;*
- (3) responsibilities for providing transportation;*

(4) responsibilities for liability and casualty insurance coverage; and
(5) other arrangements and procedures as determined by the charter granting board and the governing body of the school.

Sec. 7. Minnesota Statutes 1989 Supplement, section 124.6472, subdivision 2, is amended to read:

Subd. 2. [EXEMPTION.] Subdivision 1 does not apply to a school in which fewer than 25 pupils are expected to take part in the program. *It also does not apply to a school district that does not participate in the national school lunch program.*

Sec. 8. [126.112] [MINNESOTA EDUCATION IN AGRICULTURE COUNCIL.]

Subdivision 1. [ESTABLISHMENT.] The Minnesota education in agriculture council is established to promote education about agriculture.

Subd. 2. [GOVERNANCE.] The council is governed by an executive council board of directors. The board must be appointed by the governor and have 12 members. One member must be appointed from each congressional district and the remaining members must be appointed at large. Board terms and removal of members are as provided in section 15.0575. Board members shall not receive compensation or expenses, notwithstanding section 15.0575, subdivision 3, or 15.059, subdivision 3. The board may organize and appoint committees as it considers necessary.

Sec. 9. Laws 1989, chapter 202, section 6, subdivision 7, is amended to read:

Subd. 7. [PROCEDURES AND RECOMMENDATIONS.] The board shall review and evaluate all proposals and adopt recommendations. The board may recommend rejection of all proposals. The board shall submit its recommendations and copies of proposals to the commissioner of finance. The commissioner of finance ~~shall~~ *may* contract with an independent evaluator to provide an independent market valuation of the corporation. The commissioner of finance shall review the recommendations of the board and ~~the~~ *any* independent evaluation. The commissioner of finance shall submit the recommendations of the board of directors, ~~the any~~ independent evaluation, and the recommendations of the commissioner of finance to the legislative auditor. The legislative auditor shall review the recommendations of the board of directors and the commissioner of finance and ~~the any~~ independent evaluation and make its recommendations.

Sec. 10. Laws 1989, chapter 202, section 6, subdivision 8, is amended to read:

Subd. 8. [REPORT TO THE LEGISLATURE.] By January 15, 1990, the recommendations of the board of directors, the commissioner of finance, and the legislative auditor, and ~~the any~~ independent evaluation shall be submitted to the education committees of the legislature.

Sec. 11. [BADGER SCHOOL DISTRICT BORROWING.]

Subdivision 1. [BORROWING AGAINST TAXES PAYABLE.] Independent school district No. 676, Badger, may borrow money for the purpose of anticipating general taxes previously levied by the district for school purposes, including taxes on which penalties for nonpayment or delinquency have accrued. Minnesota Statutes, sections 124.71 to 124.76, apply to the borrowing except as provided in this subdivision.

Subd. 2. [NO LOCAL APPROVAL.] According to Minnesota Statutes, section 645.023, subdivision 1, clause (a), subdivision 1 is effective the day following final enactment without local approval.

Sec. 12. [EFFECTIVE DATE.]

Sections 2, 3, and 5 are effective the day following final enactment.

ARTICLE 9

STATE EDUCATION AGENCIES

Section 1. Minnesota Statutes 1989 Supplement, section 129C.10, is amended by adding a subdivision to read:

Subd. 7. [PURCHASING INSTRUCTIONAL ITEMS.] Technical educational equipment may be procured for programs of the Minnesota center for arts education by the board either by brand designation or in accordance with standards and specifications the board may adopt, notwithstanding chapter 16B.

Sec. 2. Laws 1989, chapter 329, article 12, section 11, is amended to read:

Sec. 11. [MINNESOTA CENTER FOR ARTS EDUCATION.]

Total Appropriations	\$ 5,800,000	\$ 6,200,000
Approved Complement -	1990	1991
General Fund -	39.0	49-0 53.0
Total -	39.0	49-0 53.0

The state complement for the Minnesota center for arts education is increased by 18.0 for the first year and ~~28-0~~ 32.0 the second year.

Any expended balance from the appropriation in this section in 1990 does not cancel but is available in 1991.

Sec. 3. [TASK FORCE ON MATHEMATICS, SCIENCE, TECHNOLOGY, AND INTERNATIONAL EDUCATION.]

Subdivision 1. [MEMBERSHIP] The governor's task force on mathematics, science, technology, and international education shall be comprised of members appointed by the governor, two members appointed by the speaker of the house of representatives, and two members appointed by the subcommittee on committees of the committee on rules and administration of the senate. Either or both members appointed by the speaker and the subcommittee may be members of the legislature or public members.

Subd. 2. [TASK FORCE DUTIES.] The governor's task force shall:

(1) assess the current state of mathematics, science, and technology education in Minnesota;

(2) review local, state, federal, and international efforts to improve mathematics, science, and technology education;

(3) study the effectiveness of education programs, including specialized programs in other states, in meeting the scientific, mathematical, and technological education needs of academic, private sector, and research and development organizations;

(4) recommend short- and long-range methods to improve mathematics, science, technology, and international education in Minnesota;

(5) study the feasibility of a resource center and school for mathematics, science, technology, and international education in Minnesota; and

(6) study and make recommendations for integrating international education and world languages with the study of mathematics, science, and technology.

Subd. 3. [MISCELLANEOUS.] The task force shall conduct at least four meetings in greater Minnesota.

The task force may appoint staff as necessary who shall be in the unclassified service. The commissioner of education shall provide office space for the task force staff at no charge to the task force.

Minnesota Statutes, section 15.059, subdivisions 4 and 6, apply to the task force. The task force shall terminate on June 30, 1991.

Subd. 4. [REPORTS.] The task force shall submit a report of its activities to the legislative commission on public education by December 31, 1990. It shall submit a report and recommendations to the education committees of the legislature by January 15, 1991.

Sec. 4. [EFFECTIVE DATE FOR CERTAIN TEACHER EXAMS.]

Notwithstanding any law to the contrary, successful completion of an examination of skills in reading, writing, and mathematics, as required by Minnesota Statutes, section 125.05, subdivision 1, is applicable for all persons applying for initial secondary vocational teaching licenses effective April 8, 1991.

Sec. 5. [CARRYOVER OF LEARNER OUTCOME APPROPRIATION.]

Any unexpended fund balance remaining from the amount designated for fiscal year 1990 for identification and integration of learner outcomes, including the amount designated for fiscal year 1990 for the identification and development of vocational career learner outcomes, does not cancel and is available for fiscal year 1991. The amounts carried forward may not be used to establish a larger annual base appropriation for future fiscal years."

Delete the title and insert:

"A bill for an act relating to education; making certain changes to the cooperation and combination program, transportation, education districts, the center for arts education, teacher mentorship programs, and private proprietary school regulation; establishing alternative preparation licensure; allowing alternate delivery of specialized instructional services; expanding the high school graduation incentives program; requiring severance pay in certain situations; providing for secondary and post-secondary instruction agreements; authorizing chartered schools; establishing a task force on mathematics, science, technology, and international education; allowing certain appropriations to be carried over and used for certain purposes; amending Minnesota Statutes 1988, sections 120.73, subdivision 1; 122.535, by adding a subdivision; 122.94, subdivision 5; 123.34, subdivision 10; 123.3514, subdivisions 6 and 6b; 123.36, subdivision 5; 123.37, subdivision 1; 123.39, subdivisions 1 and 6; 123.9361; 123.947; 124.17, subdivision 1b; 124.261; 124.494, by adding a subdivision; 125.231, subdivision 6; and 275.125, subdivision 4; Minnesota Statutes 1989 Supplement, sections 10A.01, subdivision 18; 121.111, subdivisions 1 and 2;

121.612, subdivisions 3 and 5; 121.912, subdivision 1b; 122.241, subdivisions 2 and 3; 122.242, subdivision 10; 122.243, subdivision 2; 122.94, subdivision 6; 122.945, subdivision 2; 123.33, subdivision 7; 123.58, subdivision 4; 124.19, subdivision 7; 124.223; 124.225, subdivisions 1 and 8k; 124.243, subdivision 2; 124.2725, subdivision 13, and by adding subdivisions; 124.6472, subdivision 2; 126.22, subdivisions 2 and 3; 129.128; 129C.10, by adding a subdivision; 141.35; 275.125, subdivisions 5e and 11d; and 326.03, subdivision 2; Minnesota Statutes Second 1989 Supplement, sections 121.904, subdivision 4a; 124A.03, subdivision 2; and 124A.26, subdivision 1; amending Laws 1989, chapters 202, section 6, subdivisions 7 and 8; and 329, articles 11, section 15, subdivisions 2 and 12; and 12, section 11; proposing coding for new law in Minnesota Statutes, chapters 123; 125; and 126.”

The motion prevailed. So the amendment was adopted.

Mr. Peterson, R.W. then moved to amend the first Peterson, R.W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 6, after line 24, insert:

“Sec. 3. Minnesota Statutes 1988, section 123.39, is amended by adding a subdivision to read:

Subd. 8e. School districts may provide bus transportation along school bus routes established to provide nonregular transportation as defined in section 124.225, subdivision 1, paragraph (e)(2)(ii), when space is available, for pupils attending programs at an area learning center. The transportation is only permitted between schools and if it does not increase the district's expenditures for transportation. The cost of these services shall be considered part of the authorized cost for nonregular transportation for the purpose of section 124.225.”

Re-number the sections of article 2 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Peterson, R.W. then moved to amend the first Peterson, R.W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 22, line 11, delete the new language

Page 22, line 12, after “16” insert “, except as indicated in clause (6),”

Page 23, line 4, strike “less” and insert “fewer”

Page 23, line 16, reinstate the stricken period and delete “; or”

Page 23, delete lines 17 to 19

Page 23, line 20, delete “(f)”

Page 23, after line 23, insert:

“(e) An elementary school pupil who is determined by the district of attendance to be at risk of not succeeding in school is eligible to participate in the program.”

Page 24, after line 22, insert:

"Sec. 5. Minnesota Statutes 1989 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 85 percent of the basic revenue of the district to the eligible program and 15 percent of the basic revenue to the resident district within 30 days after the eligible program verifies enrollment verification. The department of education shall provide a form for the eligible program to use for enrollment verification 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. 6. Minnesota Statutes 1989 Supplement, section 126.23, is amended to read:

126.23 [AID FOR PRIVATE ALTERNATIVE PROGRAMS.]

If a pupil enrolls in a nonsectarian alternative program operated by a private organization that has contracted with a school district to provide educational services for ~~high school dropouts or other eligible students~~ pupils under section 126.22, subdivision 2, the resident district must reimburse the provider an amount equal to at least 85 percent of the basic revenue of the district for each pupil attending the program full-time. For a pupil attending the program part-time, basic revenue paid to the program shall be reduced proportionately, according to the amount of time the pupil attends the program, and basic revenue paid to the district shall be reduced accordingly. Pupils for whom a district provides reimbursement may not be counted by the district for any purpose other than computation of basic revenue, according to section 124A.22, subdivision 2. *If payment is made to a district or program for a pupil under this section, the department of education shall not make a payment for the same pupil under section 126.22, subdivision 8.*"

Page 24, line 24, delete "Section" and insert "Sections" and delete "is" and insert ", 3, clause (e), 5, and 6 are"

Renumber the sections of article 4 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Peterson, R. W. then moved to amend the first Peterson, R. W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 43, after line 13, insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 6.65, is amended to read:

6.65 [MINIMUM PROCEDURES FOR AUDITORS, PRESCRIBED.]

The state auditor shall prescribe minimum procedures and the audit scope for auditing the books, records, accounts, and affairs of local governments in Minnesota. The minimum scope for audits of all local governments must include financial and legal compliance audits for fiscal years ending after January 15, 1984. *Audits of all school districts shall include a determination of compliance with uniform financial accounting and reporting standards adopted by the state board of education according to section 121.902, subdivision 1.* The state auditor shall establish a task force to promulgate an audit guide for legal compliance audits. The task force must include representatives of the state auditor, the attorney general, towns, cities, counties, school districts, and private sector public accountants."

Page 45, after line 19, insert:

"Sec. 4. Minnesota Statutes 1988, section 121.908, subdivision 3, is amended to read:

Subd. 3. By December 31 of the calendar year of the submission of the unaudited financial statement, the district shall provide to the commissioner and state auditor an audited financial statement prepared in a form which will allow comparison with and correction of material differences in the unaudited statement. *The audited financial statement must also provide a statement of assurance pertaining to uniform financial accounting and reporting standards compliance.*"

Renumber the sections of article 8 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Peterson, R.W. then moved to amend the first Peterson, R.W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 44, line 10, reinstate the stricken "researcher" and before "legislative" insert a comma and after "analyst" insert a comma

Page 44, line 11, before "research" insert "counsel and" and strike "senate counsel,"

Page 48, line 15, after "or" insert "at"

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Pehler moved to amend the first Peterson, R.W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 40, after line 28, insert:

"Sec. 9. Minnesota Statutes 1988, section 126.12, subdivision 2, is amended to read:

Subd. 2. ~~Except for technical institutes, every Saturday shall be a school holiday, except that school may be held on a Saturday if necessary to meet the requirement in section 124.19 of making a good faith attempt to make up time lost on account of circumstances which were beyond the control of the school board.~~ A school board may hold school on Saturdays. The school board shall determine the number of school days of each school year on or before April 1 of the calendar year in which such school year commences."

Renumber the sections of article 7 in sequence and correct the internal

references

Amend the title accordingly

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Dicklich moved to amend the first Peterson, R. W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 45, after line 19, insert:

“Sec. 4. Minnesota Statutes 1989 Supplement, section 121.912, subdivision 1, is amended to read:

Subdivision 1. [LIMITATIONS.] Except as provided in this subdivision, sections 121.9121, 123.36, 124.243, 475.61, and 475.65, a school district may not permanently transfer money from (1) an operating fund to a nonoperating fund; (2) a nonoperating fund to another nonoperating fund; or (3) a nonoperating fund to an operating fund. Permanent transfers may be made from any fund to any other fund to correct for prior fiscal years' errors discovered after the books have been closed for that year. Permanent transfers may be made from the general fund to any other operating funds according to section 123.705, subdivision 1, or if the resources of the other fund are not adequate to finance approved expenditures from that other fund. Permanent transfers may also be made from the general fund to eliminate deficits in another fund when that other fund is being discontinued. When a district discontinues operation of a district-owned bus fleet or a substantial portion of a fleet, permanent transfers may be made from the fund balance account entitled “pupil transportation fund reserved for bus purchases” to the capital expenditure fund, with the approval of the commissioner, *or to the transportation fund*. The sum of the levies authorized pursuant to sections 124.243, 124.244, and 124.83 shall be reduced by an amount equal to the amount transferred *to the capital expenditure fund*. Any school district may transfer any amount from the undesignated fund balance account in its transportation fund to any other operating fund or to the reserved fund balance account for bus purchases in its transportation fund.”

Renumber the sections of article 8 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Hughes moved to amend the first Peterson, R. W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 42, after line 5, insert:

“Sec. 11. Laws 1989, chapter 329, article 7, section 24, subdivision 6, is amended to read:

Subd. 6. [CAREER TEACHER AID.] For career teacher aid:

\$1,000,000 1990

This appropriation is available until June 30, 1991.

Notwithstanding Minnesota Statutes 1989 Supplement, section 124.276, subdivision 2, the amount available for fiscal year 1991 may be used for the increased district contribution to the teachers' retirement association and

to FICA resulting from the portion of the teaching contract that is in addition to the standard teaching contract of the district.

Up to \$5,000 may be used for the state career teacher task force."

Renumber the sections of article 7 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Waldorf moved to amend the first Peterson, R.W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 50, after line 36, insert:

"Sec. 9. [126.25] [SEXUAL EDUCATION GUIDELINES.]

Subdivision 1. [PURPOSE.] It is the intent of the legislature to help young people make responsible decisions about their sexual behavior.

Subd. 2. [GUIDELINES.] (a) All material and instruction in public elementary and secondary courses that teach sex education and discuss sexual behaviors must be age appropriate.

(b) All sex education courses that discuss sexual behavior must satisfy the criteria in the numbered clauses in this paragraph:

(1) teach the topic of abstinence and encourage students to take responsibility and make ethical and reasoned decisions in the prevention of teenage pregnancy;

(2) discuss methods of contraception that carry a risk of failure in preventing unwanted teenage pregnancy;

(3) discuss possible emotional and psychological consequences of pre-adolescent and adolescent sexual behavior;

(4) stress that sexually transmitted diseases are serious possible consequences of sexual behavior;

(5) emphasize that students have the power to control personal behavior;

(6) course material and instruction must emphasize that students have the power to control personal behavior. Students must be encouraged to base their actions on reasoning, self-discipline, sense of responsibility, self-control, and ethical considerations, such as respect for one's self and others; and

(7) course materials and instruction must teach students not to make unwanted physical and verbal sexual advances, how to say no to unwanted sexual advances, and that it is wrong to take advantage of or exploit another person.

Students should be encouraged to base their actions on reasoning, self-discipline, a sense of responsibility, self-control, ethical considerations, and respect for themselves and others."

Renumber the sections of article 8 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Dicklich moved to amend the first Peterson, R. W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 50, after line 36, insert:

“Sec. 9. Minnesota Statutes 1988, section 237.06, is amended to read:

237.06 [RATES TO BE FAIR AND REASONABLE.]

Subdivision 1. [TELEPHONE COMPANY DUTIES; DEPOSIT FEES.] It shall be the duty of every telephone company to furnish reasonably adequate service and facilities for the accommodation of the public, and its rates, tolls, and charges shall be fair and reasonable for the intrastate use thereof. All unreasonable rates, tolls, and charges are hereby declared to be unlawful. Any telephone company organized after January 1, 1949, may include in its charges a reasonable deposit fee not exceeding \$50 for facilities furnished.

Subd. 2. [RATES FOR SCHOOLS.] Telephone companies and independent telephone companies providing local service in an assigned service territory that includes any public schools with classes from kindergarten through 12th grade shall provide to the schools a flat rate local service with blocking of all toll calling privileges. The service shall be made available only to a school district that agrees to purchase the service for every classroom, library, gymnasium, and other work station used regularly by teachers. The monthly rate charged to the school district for the service in each exchange must equal or exceed that charged in the exchange for a residential flat rate service access line but must be less than the rate charged for a single line flat rate business access line. If the residential and business flat rates are identical in the exchange, the rate charged to the school district for the service shall equal the residential flat rate.”

Page 51, after line 24, insert:

“Sec. 12. [DEADLINE FOR SUBMISSION.]

The service required by section 9, subdivision 2, must be made available and proposed rates must be developed by each telephone company and independent telephone company for submission to the public utilities commission for its approval by January 1, 1991.”

Renumber the sections of article 8 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Frederickson, D.R. moved to amend the first Peterson, R. W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 54, after line 7, insert:

“Sec. 5. [PROFESSIONAL CONDUCT FOR TEACHERS.]

The board of teaching shall amend its rules enumerating standards for professional conduct for teachers by adding an item that states substantially as follows:

“A teacher shall not distribute to or provide one or more students with questions or answers for any district, state, or national examination, assessment, or test, unless the questions or answers have previously been made available by the person or organization that prepared the examination, assessment, or test for use by students.””

Renumber the sections of article 9 in sequence

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Hughes moved to amend the first Peterson, R.W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 30, after line 14, insert:

“Sec. 7. Minnesota Statutes 1989 Supplement, section 122.91, subdivision 3, is amended to read:

Subd. 3. [REQUIREMENTS FOR FORMATION.] An education district must have one of the following at the time of formation:

(1) at least five districts, *except that an education district within the seven-county metropolitan area may have fewer than five districts;*

(2) at least four districts with a total of at least 5,000 pupils in average daily membership; or

(3) at least four districts with a total of at least 2,000 square miles.

Members of an education district must be contiguous. Districts with a cooperation agreement according to section 122.541 may belong to an education district only as a unit.

A noncontiguous district may be a member of an education district if the state board of education determines that:

(1) a district between the education district and the noncontiguous district has considered and is unwilling to become a member; or

(2) a noncontiguous configuration of member districts has sufficient technological or other resources to offer effective levels of programs and services required under sections 122.94, subdivision 2, and 122.945.

Sec. 8. Minnesota Statutes 1988, section 122.93, is amended by adding a subdivision to read:

Subd. 5a. [COMMUNITY COUNCIL.] Each school board that is a member of an education district shall form a community council. The council must include parents and elected representatives of local governments and the school board and representatives of social service providers, education providers, community service organizations, and local businesses. The community council shall plan for the education, social service, and health needs of the community and collaborative ways to modify or build facilities for use by all community residents. The plan shall be presented to the education district board for review and comment.”

Page 31, line 17, strike “state board of education” and insert “*board of the ECSU region within which the majority of the members of the education district are located, according to section 123.58, subdivision 2*”

Page 31, lines 19 and 21, strike “state” and insert “*applicable ECSU*”

Page 31, line 24, after the period, insert “*The five-year plan must include methods to cooperate with the applicable ECSU and to coordinate programs and services provided by the applicable ECSU. An education district shall contract with the applicable ECSU for fiscal and other services or shall include in its five-year plan reasons for not contracting. The reasons may include the cost-effectiveness, efficiency, and communication advantages of the education district.*”

Page 31, line 24, before "board" insert "ECSU"

Page 31, line 25, strike "receiving it from the education district" and insert "*the required submission date, notify the state board of education of the approval or disapproval by June 1, and submit a copy of the plan to the state board. The state board must approve or disapprove of the plan by August 1*"

Page 33, after line 20, insert:

"Sec. 16. Minnesota Statutes 1988, section 123.58, subdivision 2, is amended to read:

Subd. 2. [ESTABLISHMENT OF EDUCATIONAL COOPERATIVE SERVICE UNITS.] (a) In furtherance of this policy, ten educational cooperative service units are designated. Each unit, should it become operational, shall be termed an educational cooperative service unit, hereafter designated as an ECSU. Geographical boundaries for each ECSU shall coincide with those identified in governor's executive orders 8, dated September 1, 1971, and 59, dated May 29, 1973, issued pursuant to the regional development act of 1969, Minnesota Statutes, sections 462.381 to 462.397, with the following exceptions:

(i) Development regions one and two shall be combined to form a single ECSU;

(ii) Development regions six east and six west shall be combined to form a single ECSU;

(iii) Development regions seven east and seven west shall be combined to form a single ECSU.

The ECSU shall cooperate with the regional development commission for the region with which its boundaries coincide but shall not be responsible to nor governed by that regional development commission.

(b) The geographic location of the central administrative office of a school district shall determine the membership of the total school district in a particular ECSU. Existing school district boundaries shall not be altered as a result of this section.

(c) Two or more identified ECSU units may, upon approval by a majority of school boards of participating school districts in each affected ECSU, be combined and administered as a single ECSU unit but state assistance shall be allocated on the basis of two or more ECSU units.

~~(d) The initial organization of each ECSU may occur only upon petition to the state board of education by a majority of all school districts in an ECSU. The state board of education shall, upon receipt of this petition, invite representation from all public school districts and shall encourage the participation of nonpublic school administrative units to the extent allowed by law in an ECSU at a regional meeting. The state board of education shall then assist in the necessary organizational activities for establishment of an ECSU pursuant to the requirements of this section. The commissioner of education shall schedule meetings within each ECSU region to plan cooperative efforts."~~

Renumber the sections of article 6 in sequence and correct the internal references

Amend the title accordingly

Mr. Peterson, R. W. requested division of the amendment as follows:

First portion:

Page 30, after line 14, insert:

“Sec. 7. Minnesota Statutes 1989 Supplement, section 122.91, subdivision 3, is amended to read:

Subd. 3. [REQUIREMENTS FOR FORMATION.] An education district must have one of the following at the time of formation:

(1) at least five districts, *except that an education district within the seven-county metropolitan area may have fewer than five districts;*

(2) at least four districts with a total of at least 5,000 pupils in average daily membership; or

(3) at least four districts with a total of at least 2,000 square miles.

Members of an education district must be contiguous. Districts with a cooperation agreement according to section 122.541 may belong to an education district only as a unit.

A noncontiguous district may be a member of an education district if the state board of education determines that:

(1) a district between the education district and the noncontiguous district has considered and is unwilling to become a member; or

(2) a noncontiguous configuration of member districts has sufficient technological or other resources to offer effective levels of programs and services required under sections 122.94, subdivision 2, and 122.945.

Sec. 8. Minnesota Statutes 1988, section 122.93, is amended by adding a subdivision to read:

Subd. 5a. [COMMUNITY COUNCIL.] Each school board that is a member of an education district shall form a community council. The council must include parents and elected representatives of local governments and the school board and representatives of social service providers, education providers, community service organizations, and local businesses. The community council shall plan for the education, social service, and health needs of the community and collaborative ways to modify or build facilities for use by all community residents. The plan shall be presented to the education district board for review and comment.”

Page 31, line 17, strike “state board of education” and insert “board of the ECSU region within which the majority of the members of the education district are located, according to section 123.58, subdivision 2”

Page 31, lines 19 and 21, strike “state” and insert “applicable ECSU”

Page 31, line 24, before “board” insert “ECSU”

Page 31, line 25, strike “receiving it from the education district” and insert “the required submission date, notify the state board of education of the approval or disapproval by June 1, and submit a copy of the plan to the state board. The state board must approve or disapprove of the plan by August 1”

Page 33, after line 20, insert:

“Sec. 16. Minnesota Statutes 1988, section 123.58, subdivision 2, is amended to read:

Subd. 2. [ESTABLISHMENT OF EDUCATIONAL COOPERATIVE

SERVICE UNITS.] (a) In furtherance of this policy, ten educational cooperative service units are designated. Each unit, should it become operational, shall be termed an educational cooperative service unit, hereafter designated as an ECSU. Geographical boundaries for each ECSU shall coincide with those identified in governor's executive orders 8, dated September 1, 1971, and 59, dated May 29, 1973, issued pursuant to the regional development act of 1969, Minnesota Statutes, sections 462.381 to 462.397, with the following exceptions:

(i) Development regions one and two shall be combined to form a single ECSU;

(ii) Development regions six east and six west shall be combined to form a single ECSU;

(iii) Development regions seven east and seven west shall be combined to form a single ECSU.

The ECSU shall cooperate with the regional development commission for the region with which its boundaries coincide but shall not be responsible to nor governed by that regional development commission.

(b) The geographic location of the central administrative office of a school district shall determine the membership of the total school district in a particular ECSU. Existing school district boundaries shall not be altered as a result of this section.

(c) Two or more identified ECSU units may, upon approval by a majority of school boards of participating school districts in each affected ECSU, be combined and administered as a single ECSU unit but state assistance shall be allocated on the basis of two or more ECSU units.

~~(d) The initial organization of each ECSU may occur only upon petition to the state board of education by a majority of all school districts in an ECSU. The state board of education shall, upon receipt of this petition, invite representation from all public school districts and shall encourage the participation of nonpublic school administrative units to the extent allowed by law in an ECSU at a regional meeting. The state board of education shall then assist in the necessary organizational activities for establishment of an ECSU pursuant to the requirements of this section. The commissioner of education shall schedule meetings within each ECSU region to plan cooperative efforts."~~

Renumber the sections of article 6 in sequence and correct the internal references

Amend the title accordingly

Second portion:

Page 31, line 24, after the period, insert "*The five-year plan must include methods to cooperate with the applicable ECSU and to coordinate programs and services provided by the applicable ECSU. An education district shall contract with the applicable ECSU for fiscal and other services or shall include in its five-year plan reasons for not contracting. The reasons may include the cost-effectiveness, efficiency, and communication advantages of the education district.*"

The question was taken on the adoption of the first portion of the Hughes amendment. The motion prevailed. So the first portion of the amendment to the amendment was adopted.

The question was taken on the adoption of the second portion of the Hughes amendment. The motion did not prevail. So the second portion of the amendment to the amendment was not adopted.

Mr. Benson moved to amend the first Peterson, R.W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 45, after line 19, insert:

“Sec. 4. Minnesota Statutes 1988, section 122.23, subdivision 9, is amended to read:

Subd. 9. If the approved plat contains land area in more than one independent district maintaining a secondary school, or common district maintaining a secondary school, and if each board entitled to act on the plat approves the plat, each board shall cause notice of its action to be published at least once in its official newspaper. *If all of the school boards entitled to act on the plat call, by resolution, for an election on the question, or if five percent of the eligible voters of any such district petition the clerk of the district, within 30 days after the publication of the notice, for an election on the question, the consolidation shall not become effective until approved by a majority vote in the district at an election held in the manner provided in subdivisions 11, 12, and 13.*

Sec. 5. Minnesota Statutes 1988, section 122.23, subdivision 11, is amended to read:

Subd. 11. Upon an election becoming callable under provisions of subdivision 9 or 10, the ~~county auditor~~ *school board* shall give ten days' posted notice of election in the area in which the election is to be held and also if there be a newspaper published in the area, one weeks' published notice shall be given. The notice shall specify the time, place and purpose of the election.

Sec. 6. Minnesota Statutes 1988, section 122.23, subdivision 12, is amended to read:

Subd. 12. The ~~county auditor~~ *school board* shall determine the date of the election, the number of boundaries of voting precincts, and the location of the polling places where voting shall be conducted, and the hours the polls will be open. The ~~county auditor~~ *school board* shall also provide official ballots which shall be used exclusively and shall be in the following form:

For consolidation

Against consolidation

The ~~county auditor~~ *school board* shall appoint three election judges for each polling place who shall act as clerks of election. The ~~county~~ *school board* may pay these election judges not to exceed \$1 per hour. The ballots and results shall be certified to the ~~county auditor~~ *school board* who shall canvass and tabulate the total vote cast for and against the proposal.

Sec. 7. Minnesota Statutes 1988, 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 election 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 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."

Renumber the sections of article 8 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Frederickson, D.J. moved to amend the first Peterson, R.W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 35, after line 9, insert:

"Sec. 18. [124.4942] [MEETINGS.]

The joint powers board established in section 124.494 and the board of each of its member districts may hold meetings in any of the member districts at a location convenient to the public. The joint powers board shall establish and maintain a schedule of the time and place of its meetings and shall give notice of regular and special meetings in the same manner as required for other public bodies."

Renumber the sections of article 6 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment to the amendment was adopted.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Marty moved that the following members be excused for a Conference Committee on H.F. No. 1952 at 4:00 p.m.:

Messrs. Belanger, Spear and Marty. The motion prevailed.

Mr. Mehrkens moved to amend the first Peterson, R.W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 54, after line 16, insert:

"ARTICLE 10

Section. 1. Minnesota Statutes 1988, section 124A.22, subdivision 4, is amended to read:

Subd. 4. [TRAINING AND EXPERIENCE REVENUE.] The training and experience revenue for each district equals the ~~greater of zero or the~~ result of the following computation:

(a) Subtract ~~4.6~~ 1.25 from the training and experience index.

(b) Multiply the result in clause (a) by the product of ~~\$700~~ \$400 times the actual pupil units for the school year.

Sec. 2. [STATE TAKEOVER OF ALL EDUCATION COSTS BY THE YEAR 2000.]

Subdivision 1. [COMPUTE TOTAL COSTS.] The department of education shall identify and compute all costs associated with Minnesota's public K-12 education system, except for school construction costs, district referendum levies, and agency expenses. The department shall submit its report on total costs to the legislature by January 1, 1991.

Subd. 2. [TEN-YEAR ASSUMPTION OF LEVIES.] In 1991, the state shall assume ten percent of levies for school purposes, except levies for bonds and debt service and referendum levies under Minnesota Statutes, section 124A.03. Each year thereafter, the state shall assume an additional ten percent of the levies until the total levies are assumed in the year 2000. The commissioner of education shall notify the county auditors each year as to how much of the levies of school districts are to be assumed by the state and the county auditor shall spread the property taxes accordingly.

The payments by the state to the school district in place of property taxes assumed by the state must be paid by the state at the time and in the proportion that property tax payments are otherwise made to the school districts. The assumption must be applied first to levies made for general education revenue, and then for special education, followed by transportation, and then all other eligible levies proportionately.

Sec. 3. [TASK FORCE.]

Subdivision 1. [ESTABLISHED; MEMBERS; STAFF] A task force is established to examine various revenue disparities caused by the general education revenue formula.

The task force must be made up of:

- (1) a representative of the rural education association;*
- (2) a representative of the association of stable and growing school districts;*
- (3) a representative of the association of metropolitan school districts;*
- (4) a representative of the Minneapolis school district;*
- (5) a representative of the Saint Paul school district; and*
- (6) one member of each caucus in the house of representatives and the senate appointed by the leader of each caucus.*

The task force must be staffed by the legislative commission on public education with access to the services of the house of representatives and senate research offices. The commissioner or a designee shall convene the task force. The task force is subject to Minnesota Statutes, section 15.059, subdivision 6.

Subd. 2. [RESPONSIBILITIES.] (a) The task force must examine the various components of the general education revenue formula that cause disparities between school districts.

(b) In examining the components, the task force must consider such issues as:

- (1) does a component still address the needs of the school districts for which it was originally designed; and*

(2) is the revenue most appropriately provided as a component of the general education revenue formula or should it be provided through a separate source.

(c) The task force shall also examine whether compensatory revenue should be based on AFDC students or on some other measure of educational overburden.

Sec. 4. [STUDENTS ASSESSMENT.]

Subdivision 1. [STATE BOARD AND DEPARTMENT.] The department of education and the state board of education shall develop assessment tests for use in grades five, nine, and 11. All students in these grades, except those identified as needing special education and related services, must take the tests. The assessment tests must measure proficiency in mathematics, reading, writing, and the sciences.

Subd. 2. [WORKING GROUPS.] To assist the department and the state board in developing assessment tests, working groups must be selected. The working groups must include representatives of the state's public and nonpublic post-secondary education institutions and affected employer groups. The legislative commission on public education must select the various representatives to serve on the working groups. The working groups must assist in designing appropriate assessment tests to measure desired achievement goals for each grade level.

Subd. 3. [SCHEDULE.] By January 15, 1991, the department and state board must provide a progress report on their efforts to the respective education committees of the house of representatives and senate.

By January 15, 1992, the department and state board will again provide a progress report on their efforts to the respective education committees of the house of representatives and senate.

By September 1, 1992, the assessment tests for grades five, nine, and 11 would be complete.

During the 1993-94 school year, all students in grades five, nine, and 11 must take the assessment tests.

Beginning with the 1993-94 school year, all high school seniors, except those identified as needing special education and related services, must take a nationally norm-referenced standardized achievement exam. The school district may select the test and must use the selected test for no less than four consecutive years.

By July 1, 1993, and every succeeding year, school districts must submit a summary of their students' test results to the department. The department must maintain a record of student achievement in each school district.

By January 15, 1995, and every succeeding even-numbered year, the department must report to the respective education committees of the house of representatives and senate on student achievement.

Sec. 5. [EXEMPTION FROM MANDATES.]

Beginning with the 1992-93 school year, school districts are no longer subject to state laws and rules related to class size, curriculum requirements, length of the school day, and length of the school year. The laws and rules in these areas would no longer be mandatory; rather, they would serve as examples for the districts to use as they see fit. The exemption

from laws and rules does not apply to requirements for special education students.

Sec. 6. [REPEALER.]

Minnesota Statutes 1989 Supplement, section 124A.03, subdivision 2, is repealed effective July 1, 2000.

Sec. 7. [EFFECTIVE DATE.]

Section 1 is effective for 1991-1992 and later school years."

Amend the title accordingly

CALL OF THE SENATE

Mr. Peterson, R. W. imposed a call of the Senate for the balance of the proceedings on H.F. No. 2200. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Mehrkens amendment. The motion did not prevail. So the amendment to the amendment was not adopted.

Mr. Knaak moved to amend the first Peterson, R. W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 4, after line 6, insert:

"Sec. 3. Minnesota Statutes 1989 Supplement, section 124A.22, subdivision 2, is amended to read:

Subd. 2. [BASIC REVENUE.] The basic revenue for each district equals the formula allowance times the actual pupil units for the school year. The formula allowance is \$2,838 for fiscal year 1990. The formula allowance for subsequent fiscal years is \$2,953 for fiscal year 1991. The formula allowance for later fiscal years is \$3,100.

Sec. 4. Minnesota Statutes Second 1989 Supplement, section 124A.23, subdivision 1, is amended to read:

Subdivision 1. [GENERAL EDUCATION TAX CAPACITY RATE.] The general education tax capacity rate for fiscal year 1991 is 26.3 percent. Beginning in 1990, the commissioner of revenue shall establish the general education tax capacity 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 capacity rate shall be the rate that raises ~~\$845,000,000~~ \$822,181,500 for fiscal year 1992 and subsequent fiscal years. The general education tax capacity 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 capacity rate has been certified."

Re-number the sections of article 1 in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the Knaak amendment to the first Peterson, R. W. amendment.

The roll was called, and there were yeas 26 and nays 36, as follows:

Those who voted in the affirmative were:

Anderson	Decker	Knaak	Mehrkens	Storm
Beckman	Frank	Knutson	Morse	Vickerman
Belanger	Frederick	Laidig	Olson	
Benson	Frederickson, D.J.	Larson	Pariseau	
Bernhagen	Frederickson, D.R.	McGowan	Piepho	
Brataas	Johnson, D.E.	McQuaid	Ramstad	

Those who voted in the negative were:

Adkins	Davis	Langseth	Pehler	Solon
Berg	DeCramer	Lantry	Peterson, R.W.	Spear
Berglin	Dicklich	Lessard	Piper	Stumpf
Bertram	Diessner	Luther	Pogemiller	Waldorf
Brandl	Flynn	Marty	Purfeerst	
Chmielewski	Freeman	Merriam	Reichgott	
Cohen	Johnson, D.J.	Metzen	Samuelson	
Dahl	Kroening	Moe, D.M.	Schmitz	

The motion did not prevail. So the amendment to the amendment was not adopted.

Mr. Stumpf moved to amend the first Peterson, R. W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 41, after line 3, insert:

“Sec. 10. Laws 1989, chapter 329, article 6, section 53, subdivision 6, is amended to read:

Subd. 6. [TELECOMMUNICATIONS GRANT.] For a ~~grant~~ grants of up to \$20,000 each to independent school districts Nos. 356, 353, 444, 441, 524, 564, 592, 440, 678, 676, 682, 690, 390, 593, 595, 630, and 600, 599, 447, 742, 627, 628, and 454 to support a cooperative educational technology ~~program~~ programs:

\$340,000 1990 1991.”

Renumber the sections of article 7 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Beckman moved to amend the first Peterson, R. W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 50, line 28, delete everything after the headnote

Page 50, line 29, delete everything before “The” and delete “board” and insert “council”

Page 50, lines 32 and 33, delete “Board” and insert “Council”

Page 50, line 35, after the period, insert “The council is governed by an executive board of directors.” and delete “board” and insert “council”

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Morse moved to amend the first Peterson, R. W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 50, after line 22, insert:

"Sec. 8. Minnesota Statutes 1989 Supplement, section 124A.22, subdivision 2a, is amended to read:

Subd. 2a. ~~[ELIGIBILITY FOR INCREASE 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 129B or 136D, 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 vocational technical education.*

(b) ~~Notwithstanding subdivision 2 or any other law to the contrary, if a school board public employer and the bargaining unit exclusive representative of the teachers in a school district have not ratified shall both sign a contract by collective bargaining agreement on or before January 15, 1990, for the two-year period ending June 30, 1991, the district is no longer eligible for \$25 of the formula allowance for fiscal year 1990 of an even-numbered calendar year. The total amount of money that would have been paid to districts that are not eligible according to this subdivision. 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.*

(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 allocated paid to eligible school districts that did not have aids reduced according to the number of actual pupil units in all of the eligible those districts."*

Renumber the sections of article 8 in sequence and correct the internal references

Amend the title accordingly

Mr. Knutson moved to amend the Morse amendment to the first Peterson, R.W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 1, line 27, delete the new language and strike "January 15"

Page 1, line 30, delete "of" and insert "*collective bargaining agreement before the first day that pupils attend school in September in*" and delete "even-numbered" and insert "odd-numbered"

The motion did not prevail. So the amendment to the amendment was not adopted.

The question recurred on the adoption of the Morse amendment to the first Peterson, R.W. amendment. The motion prevailed. So the amendment to the amendment was adopted.

Mr. Frederickson, D.J. moved to amend the first Peterson, R.W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 35, after line 3, insert:

"Sec. 17. Minnesota Statutes 1988, section 124.494, is amended by adding a subdivision to read:

Subd. 2a. [REORGANIZING DISTRICTS.] A school district that is a member of a joint powers board established under subdivision 2 and that is planning to reorganize under section 122.21, 122.22, or 122.23 must notify the joint powers board one year in advance of the effective date of the reorganization. Notwithstanding section 471.59 or any other law to the contrary, the board of a district that reorganizes under section 122.21, 122.22, or 122.23 may appoint representatives to the joint powers board who will serve on the joint powers board for two years after the effective date of the reorganization if authorized in the agreement establishing the joint powers board to govern the cooperative secondary facility. These representatives shall have the same powers as representatives of any other school district under the joint powers agreement."

Renumber the sections of article 6 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment to the amendment was adopted.

Mr. DeCramer moved to amend the first Peterson, R.W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 16, after line 28, insert:

"Sec. 2. Minnesota Statutes 1989 Supplement, section 124.86, subdivision 2, is amended to read:

Subd. 2. [REVENUE AMOUNT.] For 1989-1990 and later school years, An American Indian-controlled contract school that is located on a reservation within the state and that complies with the requirements in subdivision 1 is eligible to receive tribal contract school aid. The amount of aid is derived by:

(1) multiplying the formula allowance under section 124A.22, subdivision 2, times the ~~actual~~ total pupil units as defined in section 124A.02, subdivision 19, in attendance during the fall count week; ~~but not including pupil units for which the school has received reimbursement under sections 123.933 and 126.23 for the school for the current school year;~~

(2) subtracting from the result in clause (1) the amount of money allotted to the school by the federal government through the Indian School Equalization Program of the Bureau of Indian Affairs, according to Code of Federal Regulations, title 25, part 39, subparts A to E, for the basic program as defined by section 39, 11, b *for the base rate as applied to kindergarten through twelfth grade, excluding additional weighting*, but not money allotted through subparts F to L for contingency funds, school board training, student training, interim maintenance and minor repair, interim administration cost, prekindergarten, and operation and maintenance, and the amount of money that is received according to section 126.23;

(3) dividing the result in clause (2) by the ~~actual~~ total pupil units; and

(4) multiplying the ~~actual~~ total pupil units by the lesser of \$1,500 or the result in clause (3).”

Renumber the sections of article 3 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment to the amendment was adopted.

Ms. Olson moved to amend the first Peterson, R.W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 1, after line 9, insert:

“Section 1. Minnesota Statutes 1988, section 124.14, subdivision 7, is amended to read:

Subd. 7. [APPROPRIATION TRANSFERS.] If a direct appropriation from the general fund to the department of education for any education aid or grant authorized in this chapter and chapters 121, 123, 124A, 125, 126, 129B, and 134 exceeds the amount required, the commissioner of education ~~may~~ *shall* transfer the excess to any education aid or grant appropriation that is insufficient. However, section 124A.032 applies to a deficiency in the direct appropriation for general education aid. Excess appropriations shall be allocated proportionately among aids or grants that have insufficient appropriations. The commissioner of finance shall make the necessary transfers among appropriations according to the determinations of the commissioner of education. The commissioner of education shall report appropriation transfers to the education committees of the legislature each year by January 15. If the amount of the direct appropriation for the aid or grant plus the amount transferred according to this subdivision is insufficient, the commissioner shall prorate the available amount among eligible districts. The state is not obligated for any additional amounts.”

Renumber the sections of article 1 in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the Olson amendment to the first Peterson, R. W. amendment.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Mehrkens	Reichgott
Anderson	Davis	Knaak	Merriam	Renneke
Beckman	Decker	Knutson	Moe, D.M.	Samuelson
Belanger	DeCramer	Kroening	Morse	Schmitz
Benson	Dicklich	Laidig	Olson	Solon
Berg	Flynn	Langseth	Pariseau	Spear
Berglin	Frank	Lantry	Pehler	Storm
Bernhagen	Frederick	Larson	Peterson, R.W.	Stumpf
Bertram	Frederickson, D.J.	Lessard	Piepho	Vickerman
Brandl	Frederickson, D.R.	Luther	Piper	Waldorf
Brataas	Freeman	Marty	Pogemiller	
Chmielewski	Hughes	McGowan	Purfeerst	
Cohen	Johnson, D.E.	McQuaid	Ramstad	

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Peterson, R.W. moved to amend the first Peterson, R. W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 4, after line 19, insert:

“Sec. 4. [EFFECTIVE DATE.]

Sections 1 and 3 are effective July 1, 1990.”

Page 15, after line 15, insert:

“Sec. 7. [EFFECTIVE DATE.]

Sections 1, 2, 4, and 5 are effective July 1, 1990. Section 3, subdivision 11, is effective for the purpose of providing authority to a school district to provide the transportation according to section 2 July 1, 1990. Section 3, subdivision 11, is effective for revenue for fiscal year 1992 and thereafter.”

Page 24, line 24, before “Section” insert “Sections 1, 3, and 4 are effective July 1, 1990.”

Pages 25 and 26, delete section 2

Renumber the sections of article 5 in sequence and correct the internal references

Page 26, line 22, before “Section” insert “Section 1 is effective July 1, 1990.”

Page 35, after line 28, insert:

“Sec. 19. [EFFECTIVE DATE.]

Sections 1, 14, 15, 16, 17, and 18 are effective July 1, 1990.”

Page 43, line 8, delete “and” and insert a comma and after “11” insert “, and 13”

Page 43, line 9, after the period, insert “Section 5 is effective July 1, 1990.”

Page 54, after line 16, insert:

“Sec. 6. [EFFECTIVE DATE.]

Section 5 is effective the day following final enactment. Sections 2 and 3 are effective July 1, 1990.”

The motion prevailed. So the amendment to the amendment was adopted.

Mr. DeCramer moved to amend the first Peterson, R.W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 27, line 24, strike "subdivision" and insert "*subdivisions 4 and*"

Page 34, after line 3, insert:

"Sec. 14. Minnesota Statutes 1989 Supplement, section 124.2725, subdivision 3, is amended to read:

Subd. 3. [COOPERATION AND COMBINATION LEVY.] To obtain cooperation and combination revenue, a district may levy an amount equal to the cooperation and combination revenue multiplied by the lesser of one or the following ratio:

(1) the quotient derived by dividing the adjusted ~~gross net~~ tax capacity for the district in the year preceding the year the levy is certified by the actual pupil units in the district for the year to which the levy is attributable, to

(2) the percentage, specified in subdivision 4, of the equalizing factor for the school year to which the levy is attributable.

Sec. 15. Minnesota Statutes 1989 Supplement, section 124.2725, subdivision 4, is amended to read:

Subd. 4. [INCREASING LEVY.] *(a) For districts that combine after one year of cooperation, the percentage in subdivision 3, clause (2), shall be:*

(1) 100 percent for the first year of cooperation;

(2) 75 percent for the first year of combination;

(3) 50 percent for the second year of combination; and

(4) 25 percent for the third year of combination.

(b) For districts that combine after two years of cooperation, the percentage in subdivision 3, clause (2), shall be:

(1) 100 percent for the first year of cooperation;

(2) 75 percent for the second year of cooperation;

(3) 50 percent for the first year of combination; and

(4) 25 percent for the second year of combination.

Sec. 16. Minnesota Statutes 1989 Supplement, section 124.2725, subdivision 5, is amended to read:

Subd. 5. [COOPERATION AND COMBINATION AID.] *(a) Districts that combine after one year of cooperation shall receive cooperation and combination aid for the first year of cooperation and three years of combination. Cooperation and combination aid is equal to the difference between the cooperation and combination revenue and the cooperation and combination levy. Aid shall not be paid after three years of combining.*

(b) Districts that combine after two years of cooperation shall receive cooperation and combination aid for the first two years of cooperation and the first two years of combination. Cooperation and combination aid is equal to the difference between the cooperation and combination revenue and the cooperation and combination levy. Aid shall not be paid after two years of combining."

Page 34, delete section 15

Page 35, line 1, delete "17" and insert "16"

Renumber the sections of article 6 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment to the amendment was adopted.

Mr. DeCramer then moved to amend the first Peterson, R. W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 30, line 5, delete "may" and insert "shall"

Page 30, line 10, delete "the" and insert "another" and delete "providing secondary" and insert "for the school year following the teacher's placement on unrequested leave of absence."

Page 30, delete line 11

Page 35, line 28, delete "authorized" and insert "required"

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Peterson, R. W. moved to amend the first Peterson, R. W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 45, after line 19, insert:

"Sec. 5. Minnesota Statutes 1988, section 121.931, subdivision 6, is amended to read:

Subd. 6. [DATA STANDARDS.] The state board shall adopt rules containing standards for financial, property, student and personnel/payroll data and any other data included in ESV-IS. For financial data, the uniform financial accounting and reporting standards adopted pursuant to section 121.902, subdivision 1, shall satisfy the requirement of this subdivision. For property data, the uniform property accounting and reporting standards adopted pursuant to section 121.902, subdivision 1a by the state board shall satisfy the requirement of this subdivision. The state board shall consider the recommendations of the advisory task forces on uniform data standards for student reporting and personnel/payroll reporting and the ESV computer council in adopting the standards for student data and personnel/payroll data. The state board shall ensure that the standards for different types of data are consistent with each other, and for this purpose shall consider the recommendations of the advisory task forces on uniform data standards for student reporting and personnel/payroll reporting, the advisory council on uniform financial accounting and reporting standards, and the ESV computer council. The data standards for each type of data shall include:

(a) A standard set of naming conventions for data elements;

(b) A standard set of data element definitions; and

(c) A standard transaction processing methodology which uses the defined data elements, specifies mathematical computations on those data elements and specifies output formats.

~~The state board, with the advice and assistance of the ESV computer council, shall monitor and enforce compliance with the data standards.~~

Sec. 6. Minnesota Statutes 1988, section 121.931, is amended by adding a subdivision to read:

Subd. 6a. [DATA STANDARD COMPLIANCE.] The department shall monitor and enforce compliance with the data standards. For financial accounting data and property accounting data, the department shall develop statistically based tests to determine data quality. The department shall annually test the data submitted by districts or regional centers and determine which districts submit inaccurate data. The department shall require these districts to review the data in question and, if found in error, to submit corrected data.

Sec. 7. Minnesota Statutes 1988, section 121.935, is amended by adding a subdivision to read:

Subd. 1a. [CENTER FOR DISTRICTS WITH ALTERNATIVE SYSTEMS.] Districts that operate alternative systems approved by the state board according to section 121.936 may create one regional management information center under section 471.59. The center shall have all of the powers authorized under section 471.59, except as otherwise provided in this subdivision. Only districts that operate approved alternative systems may be members of the center. Upon receiving the approval of the state board to operate an alternative system, a district may become a member of the center.

The board of the center shall be comprised of five members to be elected by the boards of member school districts. Each member of the center board shall be a current member of a member school board. In an election of members of the center board, each member school board shall have one vote for each center board position to be filled.

The center board may purchase or lease equipment. It may not employ any staff but may enter into a term contract for services. A person providing services according to a contract with the center board is not a state employee.

The center shall perform the duties required by subdivision 2, except clauses (c), (d), and (g). The department shall provide the center all services that are provided to regional centers formed under subdivision 1, including transferring software and providing accounting assistance.

Sec. 8. Minnesota Statutes 1988, section 121.935, subdivision 2, is amended to read:

Subd. 2. [DUTIES.] Every regional management information center shall:

(a) Assist its affiliated districts in complying with the reporting requirements of the annual data acquisition calendar and the rules of the state board of education;

(b) Respond within 15 calendar days to requests from the department for district information provided to the region for state reporting of information, based on the data elements in the data element dictionary;

(c) Operate financial management information systems consistent with the uniform financial accounting and reporting standards for Minnesota school districts adopted by the state board pursuant to sections 121.90 to 121.917;

(d) Make available to districts the opportunity to participate fully in all the subsystems of ESV-IS;

(e) ~~Before July 1, 1981,~~ Develop *and maintain* a plan for the provision of *to provide* services during a system failure or a disaster;

(f) Comply with the requirement in section 121.908, subdivision 2, on behalf of districts affiliated with it; and

(g) Operate fixed assets property management information systems consistent with the uniform property accounting and reporting standards for ~~Minnesota technical institutes~~ adopted by the state board pursuant to section 121.902, subdivision 1a.

Sec. 9. Minnesota Statutes 1988, section 121.935, subdivision 5, is amended to read:

Subd. 5. [REGIONAL SUBSIDIES.] In any year when a regional management information center's annual plan and budget are approved pursuant to subdivision 3, the center shall receive a regional reporting subsidy grant from the department of education. The subsidy grant shall be in the amount allocated by the state board in the process of approving the annual budgets of the regional management information centers pursuant to subdivision 3. The amounts of the subsidy grants and an explanation of the allocation decisions shall be filed by the state board with the ~~committees on education and finance of the senate and the committees on education and appropriations of the house of representatives legislature.~~

~~For subsidy grants for fiscal year 1981 and for each fiscal year thereafter, When determining the amount of a subsidy grant, the state board is encouraged to recognize that the diversity of regional management information centers precludes a formula-based allocation of subsidy grants, to promote equity and access to regional services in the allocation process, and to shall consider the following factors:~~

(a) The number of students in districts affiliated with the center;

(b) The number of districts affiliated with the center;

(c) Fixed and overhead costs to be incurred in operating the regional center, the finance subsystem, the payroll/personnel subsystem, and the student support subsystem;

(d) Variable costs to be incurred ~~which~~ that differ in proportion to the number of districts served and the number of subsystems implemented for those districts;

(e) Services provided to districts ~~which~~ that enable the districts to meet state reporting requirements;

(f) The cost of meeting the reporting requirements of subdivision 2 for districts using approved alternative management information systems; and

(g) The number of districts affiliated with a regional management information center in relation to the geographic area occupied by those districts.

Sec. 10. Minnesota Statutes 1988, section 121.936, subdivision 1, is amended to read:

Subdivision 1. [MANDATORY PARTICIPATION.] (a) Every district shall perform financial accounting and reporting operations on a financial management accounting and reporting system utilizing multidimensional accounts and records defined in accordance with the uniform financial accounting and reporting standards adopted by the state board pursuant to sections 121.90 to 121.917.

(b) Every school district shall be affiliated with one and only one regional management information center. This affiliation shall include at least the following components:

(1) the center shall provide reports to the department of education for the district to the extent required by the data acquisition calendar;

(2) the district shall process every detailed financial transaction using, at the district's option, either the ESV-IS finance subsystem through the center or an alternative system approved by the state board.

Notwithstanding the foregoing, a district may process and submit its financial data to a region or the state in summary form if it operates an approved alternative system or participates in a state approved pilot test of an alternative system and is reporting directly to the state as of January 1, 1987.

(c) The provisions of this subdivision shall not be construed to prohibit a district from purchasing services other than those described in clause (b) from a center other than the center with which it is affiliated pursuant to clause (b).

Districts operating an approved alternative system may transfer their affiliation from one regional management information center to another *effective July 1 of any year*. At least ~~one year prior to July 1 of the year in which~~ *six but not more than 12 months before* the transfer is to occur, the district shall give written notice to its current region of affiliation of its intent to transfer to another region. The ~~one year~~ notice requirement may be waived if the two regions mutually agree to the transfer.

Sec. 11. Minnesota Statutes 1988, section 121.936, subdivision 2, is amended to read:

Subd. 2. [ALTERNATIVE MANAGEMENT INFORMATION SYSTEMS.] A district may be exempted from the requirement in subdivision 1, clause (b)(2), if it receives the approval of the state board to use another financial management information system. A district permitted before July 1, 1980, to submit its financial transactions in summary form to a regional management information center pursuant to subdivision 1 may continue to submit transactions in the approved form without obtaining the approval of the state board pursuant to this subdivision. A district may be exempted from the requirement in subdivision 1a, clause (b) if it receives the approval of the state board to use an alternative fixed assets property management information system. Any district desiring to use another management information system shall submit a detailed proposal to the state board, *and* the ESV computer council ~~and the regional management information center with which it is affiliated~~. The detailed proposal shall include a statement of all costs to the district, regional management information center or state for software development or operational services needed to provide data to the regional management information center pursuant to the data acquisition calendar.

Sec. 12. Minnesota Statutes 1988, section 121.936, subdivision 3, is amended to read:

Subd. 3. [ALTERNATIVE MANAGEMENT INFORMATION SYSTEMS; EVALUATION.] ~~The regional management information center shall evaluate the district proposal according to the approval criteria in section 121.937, subdivision 1. The regional management information center shall~~

submit its evaluation of the district proposal to the state board and the ESV computer council for their consideration in evaluating the proposal.

The ESV computer council shall evaluate the district proposal according to the approval criteria in section 121.937, subdivision 1, clauses (a), (b), and (d). Upon completion of the evaluation, the ESV computer council shall recommend to the state board that it (a) approve the proposal, (b) disapprove the proposal, or (c) approve the proposal if it is modified by the district in ways ~~which~~ *that* are specified by the council."

Page 47, after line 33, insert:

"Sec. 14. Minnesota Statutes 1988, section 123.38, subdivision 2b, is amended to read:

Subd. 2b. The board may take charge of and control all extra curricular activities of the teachers and children of the public schools in the district. Extra curricular activities shall mean all direct and personal services for public school pupils for their enjoyment that are managed and operated under the guidance of an adult or staff member. Extra curricular activities have all of the following characteristics:

(a) They are not offered for school credit nor required for graduation;

(b) They are generally conducted outside school hours, or if partly during school hours, at times agreed by the participants, and approved by school authorities;

(c) The content of the activities is determined primarily by the pupil participants under the guidance of a staff member or other adult.

If the board does not take charge of and control extra curricular activities, these activities shall be self-sustaining with all expenses, except direct salary costs and indirect costs of the use of school facilities, met by dues, admissions or other student fundraising events; ~~moreover, the general fund or the technical institutes fund, if applicable, shall reflect only those salaries directly related to and readily identified with the activity and paid by public funds and other revenues and expenditures for extra curricular activities shall be recorded pursuant to the "Manual of Instructions for Uniform Student Activities Accounting for Minnesota School Districts."~~ If the board takes charge of and controls extra curricular activities, any or all costs of these activities may be provided from school revenues ~~and~~. All revenues and expenditures for these activities shall be recorded in the same manner as other revenues and expenditures of the district. If the board takes charge of and controls extra curricular activities, no such activity shall be participated in by the teachers or pupils in the district, nor shall the school name or any allied name be used in connection therewith, except by consent and direction of the board."

Page 50, after line 16, insert:

"Sec. 16. Minnesota Statutes 1988, section 124.195, is amended by adding a subdivision to read:

Subd. 12. [DELAY OF PAYMENTS.] A district must submit financial data according to section 121.936, subdivision 1, that is consistent with the audited financial statement required by section 121.908, subdivision 3. If the corrected data has not been submitted by June 30 following the date it is required to be submitted, the commissioner shall delay payments made according to subdivision 3 until the district submits the statement.

If the commissioner determines that the statement is delayed because of circumstances beyond the district's control, the commissioner may extend the June 30 deadline."

Page 51, after line 36, insert:

"Sec. 22. [REPEALER.]

Minnesota Rules, part 3560.0040, subparts 1 and 3, are repealed the day following final enactment."

Renumber the sections of article 8 in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Knutson moved to amend the Morse amendment to the first Peterson, R. W. amendment to H.F. No. 2200, adopted by the Senate April 2, 1990, as follows:

Page 1, delete lines 23 to 34 and insert:

"(b) Notwithstanding ~~subdivision 2~~ or any other law to the contrary, if a school board public employer and the bargaining unit exclusive representative of the teachers in a school district have not ratified shall both sign a contract by January 15, 1990, for the two-year period ending June 30, 1991, the district is no longer eligible for \$25 of the formula allowance for fiscal year 1990 collective bargaining agreement before the first day that pupils attend school in September in an odd-numbered calendar year. The total amount of money that would have been paid to districts that are not eligible according to this ~~subdivision~~ General education aid shall be increased by \$10 times the number of actual pupil units for each employer that has signed a collective bargaining agreement by that date. 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."

Page 2, line 2, delete "December 31" and insert "August 15"

Page 2, line 4, delete "January 15" and insert "the first day that pupils attend school in September" and delete "even-numbered" and insert "odd-numbered"

Page 2, after line 19, insert:

"(d) The increase shall equal \$10 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 increase general education aid; if general education aid is not paid, the department shall increase other state aids."

Page 2, line 20, delete "(d)" and insert "(e)"

The question was taken on the adoption of the Knutson amendment to the Morse amendment to the first Peterson, R.W. amendment.

The roll was called, and there were yeas 26 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Dahl	Knaak	Olson	Stumpf
Beckman	Davis	Knutson	Pariseau	Vickerman
Belanger	Decker	Laidig	Piepho	
Benson	Frederick	McGowan	Ramstad	
Bernhagen	Frederickson, D.R.	McQuaid	Renneke	
Brataas	Johnson, D.E.	Novak	Storm	

Those who voted in the negative were:

Adkins	Diessner	Kroening	Moe, D.M.	Purfeerst
Berglin	Flynn	Langseth	Moe, R. D.	Reichgott
Bertram	Frank	Lantry	Morse	Samuelson
Brandl	Frederickson, D.J.	Lessard	Pehler	Schmitz
Cohen	Freeman	Luther	Peterson, R. W.	Spear
DeCramer	Hughes	Merriam	Piper	Waldorf
Dicklich	Johnson, D.J.	Metzen	Pogemiller	

The motion did not prevail. So the amendment to the amendment was not adopted.

H.F. No. 2200 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Mehrkens	Pogemiller
Anderson	Decker	Knaak	Merriam	Purfeerst
Beckman	DeCramer	Knutson	Metzen	Ramstad
Belanger	Dicklich	Kroening	Moe, D.M.	Reichgott
Benson	Diessner	Laidig	Moe, R. D.	Renneke
Berglin	Flynn	Langseth	Morse	Samuelson
Bernhagen	Frank	Lantry	Novak	Schmitz
Bertram	Frederick	Larson	Olson	Spear
Brandl	Frederickson, D.J.	Lessard	Pariseau	Storm
Brataas	Frederickson, D.R.	Luther	Pehler	Stumpf
Chmielewski	Freeman	Marty	Peterson, R. W.	Vickerman
Cohen	Hughes	McGowan	Piepho	Waldorf
Dahl	Johnson, D.E.	McQuaid	Piper	

So the bill, as amended, was passed and its title was agreed to.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Messages From the House.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2478:

H.F. No. 2478: A bill for an act relating to the financing and operation of government in Minnesota; updating references to the Internal Revenue Code; changing the computation of aid to local units of governments; modifying the computation and administration of taxes and property tax refunds; providing tax deductions and exemptions; changing the tax rates; authorizing certain local governments to borrow money; providing a food shelf checkoff; changing definition of debt for the revenue recapture act;

providing certain rights and remedies to taxpayers; modifying the requirements for the collection and expenditure of tax increments; repealing the increase in the maximum lodging tax; allowing the sale of certain tax forfeited land in Otter Tail county; allowing the cities of Bayport, Windom, and Jackson and the counties of Goodhue, Douglas, and Koochiching to levy taxes for certain purposes; requiring certain uses of tax increments by the city of Minneapolis; exempting the city of Moorhead from certain requirements; permitting the cities of Bloomington and Roseville to impose lodging taxes; changing truth-in-taxation requirements; requiring payment of the prevailing wage for financial assistance; requiring reports and studies; imposing and transferring powers and duties; changing certain effective dates; increasing certain fees; providing for payment of the greater Minnesota landfill fee; imposing a minimum fee on corporations; providing for withholding of certain refunds; requiring an appropriation by the metropolitan sports facilities commission; reducing and transferring appropriations; canceling certain debts; appropriating money; amending Minnesota Statutes 1988, sections 270.07, by adding a subdivision; 270.70, subdivisions 1, 2, 4, 8, and by adding subdivisions; 270.701, by adding a subdivision; 270.709, subdivision 1; 270A.03, subdivisions 2 and 5; 271.12; 271.19; 273.11, by adding a subdivision; 273.124, by adding a subdivision; 273.1398, by adding a subdivision; 273.42, subdivision 1; 275.065, by adding a subdivision; 276.111; 277.15; 279.03, subdivision 2, and by adding a subdivision; 279.06; 281.17; 282.01, subdivision 4; 282.014; 282.261, subdivision 2; 289A.11, as added, by adding a subdivision; 290.431; 290.50, by adding a subdivision; 290A.10; 290A.19; 296.02, subdivision 1a; 296.025, subdivision 1a; 296.06, subdivision 2; 296.12, subdivisions 1 and 2; 296.17, subdivisions 10 and 17; 297.07, subdivision 5; 297A.01, subdivision 15; 297A.25, by adding a subdivision; 298.015, subdivision 1; 298.017; 298.05; 298.24, subdivision 1; 469.059, subdivision 11; 469.129, subdivision 2; 469.171, by adding a subdivision; 469.174, subdivision 12, and by adding subdivisions; 469.175, subdivision 1a, and by adding subdivisions; 469.176, subdivisions 2 and 3; 469.177, subdivision 8; 477A.011, subdivision 17, and by adding a subdivision; 477A.012, subdivision 1, and by adding a subdivision; 477A.013, by adding a subdivision; 477A.03, subdivision 1; 477A.11, subdivision 4; 477A.13; and 500.24, subdivision 4; Minnesota Statutes 1989 Supplement, sections 270.10, subdivision 1a; 270.69, subdivision 11; 273.11, subdivision 1; 273.112, subdivision 3; 273.124, subdivisions 8 and 9; 275.08, subdivision 1d; 278.05, subdivision 4; 279.01, subdivision 1; 282.01, subdivision 1; 290.01, subdivision 19; 290A.04, subdivision 5; 290A.045, subdivision 7; 375.192, subdivision 2; 383.06; 410.32; 462.396, subdivision 2; 469.175, subdivision 4; 469.176, subdivision 4c; 469.177, subdivision 9; and 469.190, subdivisions 1 and 2; Minnesota Statutes Second 1989 Supplement, sections 3.885, subdivision 8; 60A.15, subdivision 1; 103B.3369, subdivisions 5 and 7; 272.02, subdivision 4; 273.13, subdivisions 22, 23, and 25; 273.1398, subdivisions 1 and 2; 273.371, subdivision 1; 275.065, subdivisions 1 and 6; 275.07, subdivision 1; 275.50, subdivision 5; 275.51, subdivision 3f; 276.09; 276.10; 276.11, subdivision 1; 277.01, subdivision 1; 277.02; 277.05; 277.06; 290.05, subdivision 1; 290.06, subdivision 1; 290.091, subdivision 2; 290.0921, subdivisions 1, 3, and by adding a subdivision; 290A.04, subdivision 2a; 290A.045, subdivision 6; 297A.01, subdivision 3; 297A.44, subdivision 1; 469.174, subdivisions 7 and 10; 469.175, subdivisions 3 and 7; 469.176, subdivisions 1 and 4j; 469.177, subdivision 10; 469.190, subdivision 3; 477A.011, subdivisions 1a and 25; and 477A.013, subdivisions 3 and 5; Laws 1988, chapter 719, article 12, section 30, as amended;

Laws 1989, chapters 326, article 3, section 49; and 353, section 13; and Laws 1989, First Special Session chapter 1, articles 3, section 32, subdivisions 1 and 2; 5, section 52; and 10, section 45; proposing coding for new law in Minnesota Statutes, chapters 134; 116J; 268; 270; 273; 290; and 469; repealing Minnesota Statutes 1989 Supplement, sections 115A.922; 115A.923, subdivisions 2, 3, 4, and 5; 115A.924; 115A.925; 115A.927; 115A.928; 290.06, subdivision 1a; and 375.192, subdivision 1; Minnesota Statutes Second 1989 Supplement, 273.1398, subdivision 2b.

The House respectfully requests that a Conference Committee of 5 members be appointed thereon.

Ogren, Long, Rest, Pauly and Olson, E. have been appointed as such committee on the part of the House.

House File No. 2478 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 2, 1990

Mr. Johnson, D.J. moved that the Senate accede to the request of the House for a Conference Committee on H.F No. 2478, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Peterson, R.W. moved that S.F No. 1898, No. 11 on Special Orders, be stricken and laid on the table. The motion prevailed.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. Morse and Peterson, R.W. introduced—

S.F No. 2624: A bill for an act relating to administrative procedure; providing procedures for the adoption and review of administrative rules and the determination of administrative disputes; providing for publication of administrative rules and disposition of administrative appeals; enacting the model administrative procedure act; proposing coding for new law as Minnesota Statutes, chapter 14A; repealing Minnesota Statutes 1988, sections 14.01 to 14.69.

Referred to the Committee on Governmental Operations.

Mr. Metzen introduced—

S.F No. 2625: A bill for an act relating to occupations and professions; requiring licensing for gas fitters by the commissioner of health; amending

Minnesota Statutes 1988, section 326.01, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 326.

Referred to the Committee on Employment.

Mr. Metzen introduced—

S.F. No. 2626: A bill for an act relating to education; establishing a program for the state to match gifts to endowments for certain academic curricular programs; directing the state board of education to administer the program; permitting rulemaking; proposing coding for new law in Minnesota Statutes, chapter 121.

Referred to the Committee on Education.

Mr. Metzen introduced—

S.F. No. 2627: A bill for an act relating to lawful gambling; reducing the distributor's license fee; removing the disqualification of alcoholic beverage wholesalers or employees from obtaining licenses; amending Minnesota Statutes 1989 Supplement, section 349.161, subdivisions 4 and 5.

Referred to the Committee on General Legislation and Public Gaming.

Mr. Metzen introduced—

S.F. No. 2628: A bill for an act relating to game and fish; requiring a resident age 65 or older to receive an antlerless deer permit when purchasing a firearms deer license; amending Minnesota Statutes 1988, section 97A.451, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Messrs. Spear; Benson; Moe, R.D.; Merriam and Knaak introduced—

S.F. No. 2629: 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 1988, section 343.21, subdivision 10, as amended.

Referred to the Committee on Rules and Administration.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

APPOINTMENTS

Mr. Moe, R.D. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

S.F. No. 2621: Mr. Samuelson, Ms. Berglin, Piper, Messrs. Knutson and Solon.

H.F. No. 2478: Messrs. Johnson, D.J.; Novak; Pogemiller; Stumpf and Belanger.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

MEMBERS EXCUSED

Mr. Gustafson was excused from the Session of today at 4:00 p.m. Mr. DeCramer was excused from the Session of today from 12:00 noon to 1:30 p.m. Mr. Cohen was excused from the Session of today from 12:00 noon to 2:00 p.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Tuesday, April 3, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

EIGHTY-THIRD DAY

St. Paul, Minnesota, Tuesday, April 3, 1990

The Senate met at 12:00 noon and was called to order by the President.

CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Peter Geisendorfer-Lindgren.

The roll was called, and the following Senators answered to their names:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

March 30, 1990

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. No. 1922.

Sincerely,
Rudy Perpich, Governor

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 3 members of the House, on the amendments adopted by the House to the following Senate File:

S.F. No. 2299: A bill for an act relating to agriculture; establishing the Minnesota natural wild rice promotion advisory council; proposing coding for new law in Minnesota Statutes, chapter 30.

There has been appointed as such committee on the part of the House: Clark, Trimble and Uphus.

Senate File No. 2299 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 2, 1990

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 5 members of the House, on the amendments adopted by the House to the following Senate File:

S.F. No. 2617: A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and other agencies with certain conditions; reducing appropriations for the biennium ending June 30, 1991, with certain conditions; providing for the transfer of money in the state treasury; amending Minnesota Statutes 1989 Supplement, section 297B.09, subdivision 1.

There has been appointed as such committee on the part of the House: Rice, Sarna, Lieder, Kalis and Seaberg.

Senate File No. 2617 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 2, 1990

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 5 members of the House, on the amendments adopted by the House to the following Senate File:

S.F. No. 2621: A bill for an act relating to the organization and operation of state government; appropriating money for human services and health and other purposes with certain conditions; amending Minnesota Statutes 1988, sections 13.46, subdivision 5; 144A.073, by adding a subdivision; 245A.07, subdivision 3; 245A.08, subdivision 3; 245A.16, subdivision 4; 254B.04, subdivision 1; 254B.08; 256.736, subdivision 3a; 256.936, by

adding a subdivision; 256B.04, subdivisions 15 and 16; 256B.055, subdivisions 3, 5, 6, and 12; 256B.056, subdivisions 2 and 7, and by adding a subdivision; 256B.0625, subdivisions 4, 5, 9, and by adding subdivisions; 256B.091, subdivisions 4 and 6; 256B.092, subdivisions 1a and 1b, and by adding subdivisions; 256B.15; 256B.19, by adding a subdivision; 256B.431, subdivision 3e, and by adding subdivisions; 256B.48, subdivision 2, and by adding a subdivision; 256B.49, by adding a subdivision; 256B.50, subdivisions 1 and 1b; 256B.501, subdivision 3e, and by adding a subdivision; 256B.69, subdivision 3; 256D.03, subdivision 7; 256E.06, subdivisions 2 and 7; 256H.01, by adding subdivisions; 518.171, subdivisions 1, 3, 4, and 7; 518.54, by adding subdivisions; 518.551, subdivisions 1 and 5; 518.611, subdivisions 1, 2, 8, and 8a, and by adding a subdivision; 518C.02, by adding subdivisions; 518C.03; 518C.05; 518C.09; 518C.12; and 518C.27, subdivision 1; Minnesota Statutes 1988, section 252.27, as amended by Laws 1989, chapter 282, article 2, section 92; Minnesota Statutes 1989 Supplement, sections 144.50, subdivision 6; 245.470, subdivision 1; 245.488, subdivision 1; 245A.02, subdivision 6a; 245A.03, subdivision 2; 245A.04, subdivisions 3, 3a, and 3b; 245A.12; 245A.13; 245A.16, subdivision 1; 252.46, subdivisions 1, 2, 3, 4, and 12; 254B.03, subdivision 4; 256.736, subdivision 16; 256.74, subdivision 1; 256.936, subdivision 1; 256.969, subdivisions 2c and 6a; 256.9695, subdivisions 1 and 3; 256B.055, subdivision 7; 256B.056, subdivisions 3 and 4; 256B.057, subdivisions 1 and 2, and by adding subdivisions; 256B.0575; 256B.059, subdivisions 4 and 5; 256B.0595, subdivisions 1, 2, and 4; 256B.0625, subdivision 13; 256B.091, subdivision 8; 256B.14; 256B.431, subdivision 2b; 256B.495, subdivision 1; 256B.69, subdivision 16; 256D.03, subdivisions 3, 4, and 6; 256D.425, subdivision 3; 256H.03, subdivisions 2, 2a, and 2b; 256H.05, subdivisions 1b, 1c, 2, and 5; 256H.08; 256H.15, subdivisions 1 and 2; 256I.05, subdivisions 1 and 7; 257.57, subdivision 1; 518.551, subdivision 10; 518.611, subdivision 4; and 518.613, subdivision 2; Laws 1988, chapter 689, article 2, section 256; Laws 1989, chapter 282, article 3, section 98, subdivisions 4 and 5; proposing coding for new law in Minnesota Statutes, chapters 60A; 144; 245A; 252; 254A; 256; and 256B; repealing Minnesota Statutes 1988, sections 256.736, subdivision 8; 256B.0625, subdivision 2; 256B.431, subdivisions 3, 3b, 3c, and 3d; and 256B.50, subdivision 2; Minnesota Statutes 1989 Supplement, sections 256.736, subdivision 15; 256B.055, subdivision 8; and 256B.431, subdivisions 3a and 3f.

There has been appointed as such committee on the part of the House: Greenfield, Rodosovich, Murphy, Segal and Gruenes.

Senate File No. 2621 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 2, 1990

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee on House File No. 796 and the re-reference of said bill to that committee for further consideration.

H.F. No. 796: A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public waters in Pine and Fillmore counties.

There has been appointed as such committee on the part of the House: Carlson, D.; Ogren and Rukavina.

House File No. 796 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 2, 1990

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2294:

H.F. No. 2294: A bill for an act relating to drivers' licenses; providing for electronically produced images on drivers' licenses; providing for living will designation on driver's licenses; allowing commissioner to suspend a driver's license for failure to report certain medical conditions; amending Minnesota Statutes 1988, sections 171.07, subdivisions 1a and 6, and by adding a subdivision; and 171.071; Minnesota Statutes 1989 Supplement, sections 171.06, subdivision 3; 171.07, subdivisions 1 and 3; and 171.18.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Hausman, Bishop and Wagenius have been appointed as such committee on the part of the House.

House File No. 2294 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 2, 1990

Mr. Vickerman moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2294, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1730:

H.F. No. 1730: A bill for an act relating to commerce; requiring seating furniture in public occupancies to meet flammability and labeling standards; proposing coding for new law in Minnesota Statutes, chapter 299F.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

O'Connor, Scheid and Bennett have been appointed as such committee on the part of the House.

House File No. 1730 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 2, 1990

Mrs. Lantry moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1730, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2480:

H.F. No. 2480: A bill for an act relating to taxation; making technical corrections and administrative changes to property, sales and use, motor vehicle excise, income, franchise, insurance, petroleum products, pull-tab and tipboard taxes, firefighter state aids, and property tax refunds; making technical corrections and administrative changes to certain aids to local government; including lottery prizes as refunds in the revenue recapture act; providing for posting of certain tax delinquencies; requiring a social security number on certain probate applications; imposing a tax on untaxed pull-tabs and tipboards; recodifying license inquiry provisions; providing for payment and settlement of state elections campaign funds to political party state committees; transferring certain powers and duties; recodifying and providing for tax administrative, enforcement, and collection procedures; imposing penalties; amending Minnesota Statutes 1988, sections 60A.198, by adding a subdivision; 69.771, subdivision 3; 69.772, subdivision 2a; 69.774, subdivision 1; 116K.04, subdivision 4; 270.65; 270.67, subdivisions 1 and 2; 270.68, subdivisions 1 and 3; 270.69, subdivisions 2, 3, 7, 8, and by adding a subdivision; 270.70, subdivision 1; 270A.03, subdivision 7; 274.01, subdivision 1; 275.54; 287.21, subdivision 2; 290.05, subdivision 4; 290.17, subdivision 5; 290.39, subdivision 5; 290.49, subdivision 3; 290.92, subdivisions 6a, 12, 23, and 24; 290.93, subdivision 1; 290A.03, subdivision 3; 290A.04, subdivision 1; 290A.07, subdivision 3; 290A.19; 296.06, subdivision 2; 296.18, subdivisions 2 and 3; 296.25; 297A.01, subdivision 8; 297A.03, subdivision 2; 297A.041; 297A.14, subdivision 1; 297A.18; 297A.211, subdivision 3; 297A.25, subdivision 31; 297A.255, by adding a subdivision; 297B.035, subdivision 1; 299F.21, subdivision 1; 349.212, by adding a subdivision; 477A.011, by adding a subdivision; 524.3-1001; 524.3-301; Minnesota Statutes 1989 Supplement, sections 38.18; 50.14, subdivision 4; 69.021, subdivision 6; 110.70; 118.12; 163.04, subdivision 3; 163.06, subdivision 6; 165.10, subdivision 1; 168.013, subdivision 5; 168A.10, subdivision 1; 270.06; 270.73, subdivision 1; 270B.07, by adding a subdivision; 272.16; 273.01; 273.11, subdivision 1; 290.39, subdivision 4; 290.92, subdivision 4c; 290.9201, subdivisions 7 and 8; 290.9705, subdivision 4; 297A.17; 365.025, subdivision 4; 368.01, subdivision 23; 368.44; 368.47; 370.01; 383.06; 385.31; 386.34; 412.081, subdivision 1; 412.221, subdivision 2; 430.102, subdivision 2; 465.04; 469.177, subdivision 1a; 471.24; 471.73; 475.58, subdivision 2; 475.73,

subdivision 1; 477A.011, subdivision 15; 505.173, subdivision 1; Minnesota Statutes Second 1989 Supplement, sections 10A.31, subdivision 5; 60A.15, subdivision 1; 273.13, subdivision 25; 273.1391, subdivision 2; 273.1398, subdivision 1, 2, 5a, and 6; 274.14; 274.175; 275.07, subdivision 3; 275.50, subdivision 5; 275.51, subdivisions 3f, 3h, and 6; 287.29, subdivision 1; 290.17, subdivision 2; 290A.04, subdivisions 2h and 2i; 290A.07, subdivision 2a; 349.212, subdivision 4; 373.40, subdivision 1; 473E08, subdivision 8a; 477A.012, subdivision 3; 477A.013, subdivision 3; Laws 1989, chapter 28, section 24; and Laws 1989, First Special Session chapter 1, articles 3, section 35; and 9, section 86; proposing coding for new law in Minnesota Statutes, chapters 270 and 289A; repealing Minnesota Statutes 1988, sections 270.08; 270.10, subdivision 4; 270.651; 272.70; 290.05, subdivision 5; 290.067, subdivision 5; 290.23, subdivision 15; 290.281, subdivision 5; 290.29; 290.37, as amended; 290.39, as amended; 290.391; 290.40; 290.41; 290.42; 290.43; 290.44; 290.45; 290.46; 290.47; 290.49; 290.50, as amended; 290.52; 290.521; 290.522; 290.523, as amended; 290.53, subdivisions 1, 1a, 2, 2a, 3, 3a, 4, 5, 7, 8, 9, 10, and 11; 290.54; 290.56; 290.57; 290.58; 290.59; 290.611, subdivision 5; 290.612; 290.65; 290.92, subdivisions 6, 7, 8, 11, 13, 14, 15, and 18; 290.9201, subdivisions 4, 5, 9, and 10; 290.923, subdivision 7; 290.93; 290.931; 290.932; 290.933; 290.934, as amended; 290.935; 290.936; 290.9705, subdivision 2; 290.974; 290A.06; 290A.11, subdivisions 1, 2, 3, and 4; 290A.111; 290A.112, as amended; 290A.12; 291.09; 291.11; 291.131; 291.14; 291.15, subdivisions 1 and 3; 291.215, subdivisions 2 and 3; 291.31, subdivisions 1 and 2; 291.32; 296.027; 296.16, subdivision 3; 296.17, subdivision 13; 296.18, subdivisions 3a and 7; 296.24; 297A.08; 297A.121; 297A.15, subdivision 3; 297A.26, subdivisions 1 and 4; 297A.27; 297A.275; 297A.29; 297A.30; 297A.31; 297A.32; 297A.33, subdivisions 1, 3, 4, and 5; 297A.34; 297A.35; 297A.37; 297A.39, subdivisions 1, 2, 2a, 3, 4, 5, 7, and 8; 297A.40; 297A.41, 297A.42; 297A.431; 297A.44, subdivision 2; Minnesota Statutes 1989 Supplement, sections 290A.11, subdivision 1a; and 297A.20; Minnesota Statutes Second 1989 Supplement, sections 270.77 and 290.38; Minnesota Rules, parts 8052.0100; 8052.0200; and 8130.7800.

The House respectfully requests that a Conference Committee of 5 members be appointed thereon.

McLaughlin, Ogren, Carruthers, Rest and Pauly have been appointed as such committee on the part of the House.

House File No. 2480 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 2, 1990

Mr. Pogemiller moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2480, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2457:

H.F. No. 2457: A bill for an act relating to public financing; allocating authority to issue tax exempt revenue bonds; restricting loans from proceeds of mortgage revenue bonds under certain circumstances; amending Minnesota Statutes 1988, sections 474A.02, subdivisions 6, 8, and by adding a subdivision; 474A.03; 474A.061, subdivision 3, and by adding subdivisions; 474A.091, subdivisions 1, 4, and 5; 474A.131, subdivision 2; and 474A.14; Minnesota Statutes 1989 Supplement, section 290.01, subdivision 19a; Minnesota Statutes Second 1989 Supplement, sections 474A.061, subdivisions 1 and 4; and 474A.091, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 474A; repealing Minnesota Statutes 1988, sections 474A.081, subdivisions 1, 2, and 4; and 474A.091, subdivision 4a; Minnesota Statutes Second 1989 Supplement, section 474A.061, subdivision 2.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Rest, Ogren and Long have been appointed as such committee on the part of the House.

House File No. 2457 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 2, 1990

Mr. Pogemiller moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2457, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2474:

H.F. No. 2474: A bill for an act relating to insurance; long-term care; modifying the definition of medically prescribed long-term care; allowing additional licensed health care providers to prepare plans of care; regulating assessments; regulating cancellations; amending Minnesota Statutes 1988, sections 62A.46, subdivisions 2, 4, 5, and 8; 62A.48, subdivision 3, and by adding a subdivision; and 62A.56; Minnesota Statutes 1989 Supplement, section 62A.48, subdivision 1.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Skoglund, Burger and Williams have been appointed as such committee on the part of the House.

House File No. 2474 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 2, 1990

Mr. Moe, R.D moved that H.F No. 2474 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F No. 2419.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 2, 1990

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F No. 2419: A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative expenses of state government; providing for the transfer of certain money in the state treasury; fixing and limiting the amount of fees, penalties, and other costs to be collected in certain cases; creating, abolishing, modifying, and transferring agencies and functions; defining and amending terms; providing for settlement of claims; imposing certain duties, responsibilities, authority, and limitations on agencies and political subdivisions; consolidating certain funds and accounts and making conforming changes; changing the organization, operation, financing, and management of certain courts and related offices; amending Minnesota Statutes 1988, sections 2.722, subdivision 1; 3C.035, subdivision 3; 3C.11, subdivision 2; 5.13; 11A.07, subdivision 5; 14.07, subdivisions 1 and 2; 14.08; 14.26; 14.53; 15.054; 15.06, subdivision 1; 15.51; 15.52, subdivisions 2 and 3; 15.53, subdivision 1; 15.56, subdivision 5; 15.59; 16A.10, by adding a subdivision; 16A.127, subdivisions 3 and 8; 16B.24, subdivision 5, and by adding subdivisions; 16B.28, subdivision 2; 16B.48, subdivisions 4 and 5; 16B.51, subdivision 2; 16B.53, subdivision 3; 16B.85, subdivisions 2, 3, and 5; 17.102, subdivision 4; 40A.08; 40A.151; 40A.152, subdivision 3; 40A.16; 41A.04, subdivision 1; 41A.05, subdivision 2; 41A.051; 41A.066, subdivision 1; 62D.122; 62J.02, subdivisions 2 and 3; 84.027, by adding a subdivision; 84.154, subdivision 5; 84.943; 84A.53; 84A.54; 89.37, subdivision 4; 89.58; 97A.065, subdivision 2; 97C.001, subdivision 1; 105.485, subdivision 3; 110B.04, subdivision 7; 110B.08, subdivision 5; 115.103, subdivision 1; 115A.072, subdivision 1; 115A.15, subdivision 6; 116.36, subdivision 1; 116.65, subdivision 3; 116C.03, subdivisions 4 and 5; 116C.712, subdivisions 3 and 5; 116D.04, subdivisions 5a and 10; 116D.045, subdivision 3; 116J.971, by adding a subdivision; 116J.980; 116L.03, by adding a subdivision; 116P.11; 126.115, subdivision 3; 144.226, subdivision 3; 144.70, subdivision 2; 144.8093, subdivisions 2, 3, and 4; 144A.071, subdivision 5; 144A.31, subdivision 1; 144A.33, subdivision 4; 145A.02, subdivision 16; 145A.09, subdivision 6; 157.045; 169.126, subdivision 4b; 171.06, subdivision 2a; 176B.02; 176B.04; 181.953; 183.545, subdivision 9; 184.33, subdivision 1, and by adding a subdivision; 184.35; 190.08, by adding a subdivision; 192.85; 196.054, subdivision 2; 197.23, subdivision 2; 201.023; 204B.14, subdivision 5; 214.141; 240A.02, subdivisions 1 and 3; 240A.03, subdivision

13, and by adding a subdivision; 243.48, subdivision 1; 268.026, subdivision 2; 268.361, subdivision 3; 268.677, subdivision 2; 268.681, subdivision 3; 270.68, subdivision 1; 272.38, subdivision 1; 282.014; 296.06, subdivision 2; 296.12, subdivisions 1 and 2; 296.17, subdivisions 10 and 17; 297.03, subdivision 5a; 299D.03, subdivision 5; 326.37; 326.47, subdivision 3; 326.52; 326.75, subdivision 4; 349.22, subdivision 2; 349.36; 349.52, subdivision 3; 352.92, subdivision 2; 352B.02, subdivision 1c; 353D.01, subdivision 2; 354.42, subdivision 5; 363.073, by adding a subdivision; 368.01, subdivision 1a; 402.045; 462.384, subdivision 7; 477A.014, subdivision 4; 480A.01, subdivision 3; 481.14; 484.54, subdivision 1; 484.545, subdivision 1; 484.68, subdivision 2, and by adding a subdivision; 484.70, subdivision 1; 485.03; 486.01; 487.32, subdivisions 2 and 3; 487.33, by adding a subdivision; 611.20; 611.215, subdivision 1; 611.26, subdivision 3; 611.27; 611.271; 629.292, subdivision 1; Minnesota Statutes 1989 Supplement, sections 3.30, subdivisions 1 and 2; 5.18; 15A.081, subdivision 1; 16A.11, subdivision 3; 16A.133, subdivision 1; 16B.24, subdivision 6; 16B.28, subdivision 3; 16B.465, subdivision 1; 16B.48, subdivision 2; 17.49, subdivision 1; 18.0225; 41A.05, subdivision 1; 43A.02, subdivision 25; 43A.24, subdivision 2, and by adding a subdivision; 84A.51, subdivision 2; 85.205; 89.035; 89.036; 97A.475, subdivision 2; 103H.101, subdivision 4; 103H.175; 105.41, subdivision 5a; 115A.54, subdivision 2a; 115A.923, subdivision 2; 116.85; 116C.03, subdivision 2; 116J.01, subdivision 3; 116J.58, subdivision 1; 116J.617, subdivision 5; 116J.955, subdivision 1; 116J.9673, subdivision 4; 116J.971, subdivisions 6, 7, and 8; 116L.03, subdivision 2; 129B.13, subdivisions 2, 3, 8, 9, 10, 12, 14, 15, and 16; 144.861; 145.926, subdivisions 1, 4, 5, 7, and 8; 169.686, subdivision 3; 176.135, subdivision 1; 183.357, subdivision 4; 190.25, subdivision 3; 216D.08, subdivision 3; 245.4873, subdivision 2; 245.697, subdivision 2a; 246.18, subdivision 3a; 256H.25, subdivision 1; 270.06; 270.064; 299A.30, subdivision 2; 299A.31, subdivision 1; 299A.40, subdivision 4; 299F.641, subdivision 8; 299J.12, subdivision 1; 336.9-413; 352.04, subdivisions 2 and 3; 357.021, subdivision 2; 357.022; 357.08; 363.073, subdivision 1; 466A.05, subdivision 1; 469.203, subdivisions 4 and 5; 469.204, subdivision 2; 469.205, by adding a subdivision; 469.207; 473.156, subdivision 1; 480.242; 484.68, subdivision 5; 485.018, subdivision 5; 486.05, subdivisions 1 and 1a; 486.06; 487.31, subdivision 1; 504.34, subdivisions 5 and 6; 611.215, by adding a subdivision; and 611.26, subdivision 2; Minnesota Statutes Second 1989 Supplement, sections 3.885, subdivisions 3, 5, and 6; 275.14; 275.51, subdivision 6; 297A.44, subdivision 1; 357.021, subdivision 1a; 373.40, subdivision 1; 477A.011, subdivisions 3 and 3a; 477A.012, subdivision 4; Laws 1987, chapter 404, section 192, subdivision 2; Laws 1988, chapters 648, section 3; and 686, article 1, section 52; Laws 1989, chapter 335, article 1, sections 4, 36, and 42, subdivision 2; article 3, sections 38; and 58, as amended; and article 4, section 107; Laws 1989, First Special Session chapter 1, article 24, section 2; proposing coding for new law in Minnesota Statutes, chapters 4, 6, 15, 16A, 16B, 43A, 88, 116, 116J, 240A, 268, 462A, and 484; proposing coding for new law as Minnesota Statutes, chapter 484A; repealing Minnesota Statutes 1988, sections 3C.056; 14.32, subdivision 2; 40A.02, subdivision 2; 84A.51, subdivision 1; 85.30; 116E.01; 116E.02; 116E.04; 116J.971, subdivisions 1, 2, 4, 5, and 10; 116K.01 to 116K.03; 116K.04, as amended; 116K.05 to 116K.13; 116N.01; 116N.02, as amended; 116N.03 to 116N.07; 116N.08, as amended; 184.34; 268.681, subdivision 4; 299J.18; 326.82; 480.252; 480.254; 484.55; 485.018, subdivision 2a; 486.07; 487.10, subdivisions 2 and 4; and 487.13; Minnesota Statutes 1989 Supplement,

sections 3C.035, subdivision 2; 8.15; 97B.301, subdivision 5; 116E.03; 116E.035; 116J.970; 116J.971, subdivisions 3 and 9; 116K.14; 116O.03, subdivision 2a; 357.021, subdivision 2a; 469.203, subdivision 5; 480.241; 480.242, subdivision 4, as amended; 480.256; and 484.545, subdivisions 2 and 3; Laws 1988, chapter 686, article 1, section 3, paragraph (c); Laws 1989, chapter 303, section 10; Minnesota Rules, part 4410.3800, subparts 1 and 3.

Mr. Moe, R.D. moved that H.F. No. 2419 be laid on the table. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 1022: A bill for an act relating to economic development; requiring a job impact statement of certain government units; requiring the employer who engages in an employee displacement or mass layoff to pay community benefits, severance pay, and health benefits; establishing a community response committee; requiring repayment of certain financial assistance to businesses; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 268.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, delete section 6

Page 8, lines 18 and 19, delete "*may only be used*" and insert "*must be deposited in the state treasury and credited to a special account. Money in the account is appropriated to the commissioner to be used only*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 2158: A bill for an act relating to utilities; regulating flexible gas utility rates; repealing sunset provisions relating to flexible gas utility rates; appropriating money; amending Minnesota Statutes 1988, section 216B.163; and Laws 1987, chapter 371, section 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, line 4, after the period, insert "*The money is available until February 1, 1995.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 2346: A bill for an act relating to the state building code; accessibility for the physically disabled; establishing an access review board; providing for review of applications for permission to provide accessibility by means of stairway chair lifts; appropriating money; proposing coding

for new law in Minnesota Statutes, chapter 471.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 10, delete everything after “shall”

Page 3, line 11, delete “board and”

Page 3, line 27, delete “\$” and insert “\$1,500”

Page 3, delete section 3

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 1731: A bill for an act relating to human services; clarifying treatment and assessment requirements under the Minnesota comprehensive mental health acts for adults and children; amending Minnesota Statutes 1988, section 245.467, subdivision 2; Minnesota Statutes 1989 Supplement, sections 245.467, subdivision 3; 245.469; 245.4711, subdivisions 1, 2, and 3; 245.487, subdivisions 2 and 5; 245.4871, subdivision 3; 245.4873, subdivision 2; 245.4874; 245.4875, subdivision 5; 245.4876, subdivisions 2, 3, and 4; 245.4879; 245.4881, subdivisions 1, 2, 3, and 4; 245.4882, subdivision 1; 245.4883, subdivision 1; 245.4885, subdivisions 1 and 2; 245.696, subdivision 2; 245.697, subdivision 2a; 245.73, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 245; repealing Minnesota Statutes 1989 Supplement, sections 245.4711, subdivisions 6, 7, and 8; and 245.4881, subdivisions 6 to 10.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 4, after the period, insert “*Compliance with the provisions of this subdivision does not ensure eligibility for medical assistance or general assistance medical care reimbursement under chapters 256B and 256D.*”

Page 7, after line 10, insert:

“Sec. 8. Minnesota Statutes 1989 Supplement, section 245.483, subdivision 3, is amended to read:

Subd. 3. [DELAYED PAYMENTS.] If the commissioner finds that a county board or its contractors are not in compliance with the approved local proposal or sections 245.461 to 245.486 and 245.487 to 245.4887, the commissioner may, *after 30 days’ notice to the county board*, delay payment of all or part of the quarterly mental health and community social service act funds until the county board and its contractors meet the requirements. *If the commissioner receives a written appeal from the county board within the 30-day period, opportunity for a hearing under the administrative procedure act, chapter 14, must be provided before the allocation is delayed. The 30-day period begins when the county board receives the commissioner’s notice by certified mail.* The commissioner shall not delay a payment longer than three months without first issuing a notice under subdivision 2 1 that all or part of the allocation will be terminated or required to be repaid. ~~After this notice is issued, the commissioner may continue to delay the payment until completion of the hearing in subdivision~~

~~2.~~"

Page 13, line 4, after the period, insert "*Compliance with the provisions of this subdivision does not ensure eligibility for medical assistance or general assistance medical care reimbursement under chapters 256B and 256D.*"

Page 24, line 4, after the semicolon, insert "and"

Page 24, line 6, strike "; and" and insert a period

Page 24, line 7, strike "(5)" and delete "shall"

Page 24, line 8, delete "assure that" and insert "*During the screening process,*"

Page 24, line 9, delete "have been" and insert "must be"

Page 24, line 27, strike "January" and insert "July"

Page 24, line 35, delete "January" and insert "July"

Page 29, after line 9, insert:

"Sec. 33. [EFFECTIVE DATE.]

Section 8 is effective the day following final enactment."

Reorder the sections in sequence

Amend the title as follows:

Page 1, line 8, after the semicolon, insert "245.483, subdivision 3;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1950: A bill for an act relating to housing; establishing a local government housing account that may be used for transitional housing, public housing modernization and rehabilitation, and subsidized rental housing preservation; requiring state interagency coordination on homelessness; providing for a housing and redevelopment authority property service charge in lieu of property taxes; appropriating nonrefundable bond allocation deposits to the housing trust fund account; appropriating money; amending Minnesota Statutes 1988, sections 462A.201, subdivision 2; 469.040, by adding a subdivision; and 474A.21; proposing coding for new law in Minnesota Statutes, chapter 462A.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 3 and 4, delete section 4 and insert:

"Sec. 4. Minnesota Statutes 1988, section 462C.07, is amended by adding a subdivision to read:

Subd. 4. [FORECLOSURE.] Upon foreclosure of any mortgage securing a revenue agreement entered into with respect to revenue bonds issued under this section, the city, trustee, or other mortgagee may determine that the mortgage debt for purposes of chapters 580, 581, 582, and 583 is the revenue agreement debt and does not include the bond debt, or the

mortgagee may determine that the mortgage debt includes both the revenue agreement debt and the bond debt. The notice of sale or complaint shall state whether the foreclosure is to enforce only the revenue agreement debt or both the revenue agreement debt and the bond debt. If the mortgagee determines that the foreclosure is to enforce only the revenue agreement debt and not the bond debt:

(1) the revenue agreement debt is the mortgage debt for all purposes under chapters 580, 581, 582, and 583;

(2) the bond debt will remain outstanding as a valid and continuing separate debt and will not be extinguished, satisfied, relinquished, or otherwise terminated by the foreclosure sale; and

(3) the city or mortgagee may enter into a revenue agreement with the purchaser of the mortgaged property or a subsequent transferee, which provides for satisfaction by payment in full or otherwise of all principal of and interest on the bonds then in arrears and to become due.

Sec. 5. Minnesota Statutes 1988, section 469.155, is amended by adding a subdivision to read:

Subd. 18. [FORECLOSURE.] Upon foreclosure of any mortgage securing a revenue agreement entered into with respect to revenue bonds issued under this section, the city, trustee, or other mortgagee may determine that the mortgage debt for purposes of chapters 580, 581, 582, and 583 is the revenue agreement debt and does not include the bond debt, or the mortgagee may determine that the mortgage debt includes both the revenue agreement debt and the bond debt. The notice of sale or complaint shall state whether the foreclosure is to enforce only the revenue agreement debt or both the revenue agreement debt and the bond debt. If the mortgagee determines that the foreclosure is to enforce only the revenue agreement debt and not the bond debt:

(1) the revenue agreement debt is the mortgage debt for all purposes under chapters 580, 581, 582, and 583;

(2) the bond debt will remain outstanding as a valid and continuing separate debt and will not be extinguished, satisfied, relinquished, or otherwise terminated by the foreclosure sale; and

(3) the city or mortgagee may enter into a revenue agreement with the purchaser of the mortgaged property or a subsequent transferee, which provides for satisfaction by payment in full or otherwise of all principal of and interest on the bonds then in arrears and to become due."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete "a housing and"

Page 1, delete line 8

Page 1, line 9, delete "lieu of property taxes" and insert "treatment of certain obligations upon foreclosure of certain mortgages"

Page 1, line 13, delete "469.040" and insert "462C.07, by adding a subdivision; 469.155"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 2609: A bill for an act relating to the environment; providing for the management and cleanup of tax-forfeited lands; requiring a report by the pollution control agency; amending Minnesota Statutes 1988, sections 115B.02, subdivision 11; 115B.03, by adding a subdivision; 115C.02, subdivision 8; 115C.021, by adding a subdivision; 116.49, by adding a subdivision; and 282.08; proposing coding for new law in Minnesota Statutes, chapter 282.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 21, after the period, insert:

“(c)”

Page 2, line 22, delete “paragraph” and insert “subdivision”

Page 7, after line 36, insert:

“Sec. 9. [LAKE COUNTY; LEVY FOR COST OF ENVIRONMENTAL REVIEWS.]

Notwithstanding any other law to the contrary, Lake county may levy a tax within a tax increment financing district in an unorganized township in Lake county to pay for the cost incurred by the county or authority operating the district for preparation and approval of an environmental impact statement or environmental assessment worksheet for a project to be funded by tax increments from that tax increment district. A levy under this section is exempt from levy limitations under Minnesota Statutes, sections 275.50 to 275.56.”

Page 8, after line 15, insert:

“Sec. 11. [ST. LOUIS COUNTY; TAX FORFEITED LAND.]

Under the provisions of Minnesota Statutes, sections 273.124 and 282.241, Marianne Fransen may repurchase for the delinquent taxes at the homestead rate, plus penalties, which is approximately \$12,316, the property as described below. The conveyance shall be in a form approved by the attorney general.

The property that may be sold is in the city of Duluth at 1417 Stanford Avenue and described as:

Lot 1, Block 3, Highland Hills Subdivision, property identification Number 10 2195 290.

This property was off the tax rolls in 1974 and put back on in 1975 at the nonhomestead rate until 1984. Marianne Fransen has continuously resided at the property since 1974 and the city assessor agrees that she meets the definition of a person eligible for homestead under section 273.124.”

Page 8, line 17, delete “9” and insert “8, 10, and 11”

Page 8, line 18, after the period, insert “Notwithstanding Minnesota Statutes, section 469.179, section 9 is effective the day following final enactment and applies to all tax increment districts, whether created before, on, or after August 1, 1979.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "authorizing a levy by Lake county; authorizing a purchase of tax-forfeited land in St. Louis county;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 1962: A bill for an act relating to appropriations; canceling an appropriation for a cooperative agreement with the Cuyuna Development Corporation; restoring the wild rice management account; amending Laws 1989, chapter 335, article 4, section 109, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 23, delete "*This act*" and insert "*Section 1*" and after the period, insert "*Section 2 is effective the day following final enactment.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 2173: A bill for an act relating to the environment; providing assistance to eligible recipients on methods to prevent toxic pollution; providing financial assistance to research and demonstrate alternative means to prevent toxic pollution; requiring facilities to develop plans to prevent toxic pollution; providing penalties; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 115D.

Reports the same back with the recommendation that the bill be amended as follows:

Page 10, line 2, delete "ACCOUNT" and insert "FEES"

Page 10, delete lines 3 to 12

Page 10, line 13, delete "*Subd. 2. [FEES.]*"

Page 10, line 38, before the period, insert "*and deposited in the state treasury and credited to the environmental fund*"

Page 11, line 28, delete "\$" and insert "\$847,000"

Page 11, line 29, delete "*pollution prevention account*" and insert "*environmental fund*"

Page 11, line 33, delete "\$" and insert "\$560,000"

Page 11, line 34, delete "\$" and insert "\$150,000"

Page 11, line 36, delete "\$" and insert "\$137,000"

Page 12, line 1, delete "" and insert "3"

Page 12, line 3, delete "\$" and insert "\$45,000"

Page 12, lines 4 and 10, delete "*pollution prevention account*" and insert "*environmental fund*"

Page 12, lines 7 and 8, delete “. positions” and insert “1 position”

Page 12, line 9, delete “\$ ” and insert “\$48,000”

Page 12, line 16, delete “. positions” and insert “1 position”

And when so amended the bill do pass. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F Nos. 1022, 2158, 2346, 1731, 2609, 1962 and 2173 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Frank moved that the name of Mr. Marty be added as a co-author to S.F No. 2282. The motion prevailed.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F No. 1903 a Special Order to be heard immediately.

SPECIAL ORDER

S.F No. 1903: A bill for an act relating to health; providing programs and incentives for persons to volunteer as bone marrow donors; requiring the commissioner of health to educate residents about the need for volunteer bone marrow donors; requiring paid leave for employees to donate bone marrow; requiring a bone marrow donor drive to encourage state employees to volunteer as bone marrow donors; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 145 and 181.

Mr. Merriam moved to amend S.F No. 1903 as follows:

Page 3, delete section 5

The motion prevailed. So the amendment was adopted.

S.F No. 1903 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Merriam	Purfeerst
Anderson	Davis	Knaak	Metzen	Ramstad
Beckman	Decker	Knutson	Moe, D.M.	Reichgott
Belanger	Diessner	Kroening	Moe, R.D.	Renneke
Benson	Flynn	Langseth	Morse	Samuelson
Berg	Frank	Lantry	Novak	Schmitz
Berglin	Frederick	Larson	Olson	Spear
Bernhagen	Frederickson, D.J.	Lessard	Pariseau	Storm
Bertram	Frederickson, D.R.	Luther	Pehler	Stumpf
Brandl	Freeman	Marty	Peterson, R.W.	Vickerman
Brataas	Gustafson	McGowan	Piepho	
Chmielewski	Hughes	McQuaid	Piper	
Cohen	Johnson, D.E.	Mehrkens	Pogemiller	

So the bill, as amended, was passed and its title was agreed to.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Marty moved that the following members be excused for a Conference Committee on H.F. No. 1952 at 1:00 p.m.:

Messrs. Belanger, Spear and Marty. The motion prevailed.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1847 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1847: A bill for an act relating to human rights; amending the definition of age; clarifying medical information obtainable from prospective employees; clarifying protection for pregnant employees; prohibiting threats against home owners and renters; prohibiting discriminatory business practices; clarifying the meaning of business necessity and continuing violations; renumbering definitions; amending Minnesota Statutes 1988, sections 363.01, subdivision 28; 363.03, subdivisions 2, 8a, and by adding a subdivision; 363.06, subdivision 1, and by adding a subdivision; 363.11; 363.116; Minnesota Statutes 1989 Supplement, sections 363.02, subdivision 1; and 363.03, subdivision 1.

Ms. Reichgott moved to amend S.F. No. 1847 as follows:

Page 3, line 23, delete "79A" and insert "176"

The motion prevailed. So the amendment was adopted.

Ms. Reichgott then moved to amend S.F. No. 1847 as follows:

Page 13, line 30, before the period, insert "*except that an employee who has received payment under section 176.101, subdivision 3p, may only bring a disability discrimination action if the employer, without reasonable cause, has refused to rehire the employee, when suitable employment is available within the employee's physical and mental limitations and the recovery from the action does not exceed one year's wages*"

CALL OF THE SENATE

Mr. Stumpf imposed a call of the Senate for the balance of the proceedings on S.F. No. 1847. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Reichgott amendment.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

Berglin	Frank	Lantry	Morse	Ramstad
Brandl	Frederickson, D.J.	Luther	Novak	Reichgott
Cohen	Freeman	Marty	Olson	Samuelson
Dahl	Hughes	Merriam	Pehler	Spear
Davis	Johnson, D.J.	Metzen	Peterson, R.W.	Waldorf
Dicklich	Kroening	Moe, D.M.	Piper	
Flynn	Laidig	Moe, R.D.	Pogemiller	

Those who voted in the negative were:

Adkins	Bertram	Frederickson, D.R.	Lessard	Renneke
Anderson	Brataas	Gustafson	McGowan	Schmitz
Beckman	Chmielewski	Johnson, D.E.	McQuaid	Solon
Belanger	Decker	Knaak	Mehrkens	Storm
Benson	DeCramer	Knutson	Pariseau	Stumpf
Berg	Diessner	Langseth	Piepho	Vickerman
Bernhagen	Frederick	Larson	Purfeerst	

The motion did not prevail. So the amendment was not adopted.

Mr. Stumpf moved to amend S.F. No. 1847 as follows:

Page 13, delete section 9

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the Stumpf amendment.

The roll was called, and there were yeas 38 and nays 28, as follows:

Those who voted in the affirmative were:

Adkins	Brataas	Gustafson	McQuaid	Renneke
Anderson	Chmielewski	Johnson, D.E.	Mehrkens	Samuelson
Beckman	Davis	Knaak	Morse	Schmitz
Belanger	Decker	Knutson	Olson	Storm
Benson	DeCramer	Langseth	Pariseau	Stumpf
Berg	Diessner	Larson	Peterson, R.W.	Vickerman
Bernhagen	Frederick	Lessard	Piepho	
Bertram	Frederickson, D.R.	McGowan	Purfeerst	

Those who voted in the negative were:

Berglin	Frank	Laidig	Moe, R.D.	Reichgott
Brandl	Frederickson, D.J.	Lantry	Novak	Solon
Cohen	Freeman	Luther	Pehler	Spear
Dahl	Hughes	Marty	Piper	Waldorf
Dicklich	Johnson, D.J.	Merriam	Pogemiller	
Flynn	Kroening	Metzen	Ramstad	

The motion prevailed. So the amendment was adopted.

Mr. Merriam moved to amend S.F. No. 1847 as follows:

Page 13, after line 15, insert:

“Subd. 9. Minnesota Statutes 1988, section 363.06, is amended by adding a subdivision to read:

Subd. 9. [INVESTIGATION COSTS.] If the commissioner determines after investigation that probable cause exists to believe the allegations of unfair discriminatory practices, the commissioner may order the respondent to reimburse the department for all appropriate costs to the department of conducting the investigation. Appropriate costs shall include the actual direct costs of the investigation for staff, materials, and other associated costs as well as a prorated portion of departmental overhead costs. In lieu of calculating the actual direct and overhead costs for less complex cases, the commissioner may, at the commissioner's discretion, estimate the cost based on the average cost to the department of investigating a complaint of discrimination during the last fiscal year. The respondent may challenge the amount of investigation cost assessed or request a reduction by appeal to the commissioner or, in a contested case hearing, to an administrative law judge or district court judge.

Sec. 10. Minnesota Statutes 1988, section 363.071, is amended by adding a subdivision to read:

Subd. 7. [LITIGATION AND HEARING COSTS.] The administrative law judge shall order a respondent determined to have engaged in an unfair discriminatory practice to reimburse the department for all appropriate litigation and hearing costs expended by the department or the attorney general, or both, in preparing for and conducting the hearing. Appropriate costs include but are not limited to fees billed to the department for services rendered by the attorney general, the administrative law judge, court reporters, expert witnesses, and private attorneys if engaged by the department as well as the costs for transcripts and other necessary supplies and materials.

Sec. 11. Minnesota Statutes 1988, section 363.073, is amended by adding a subdivision to read:

Subd. 5. [FEES.] The commissioner shall charge and collect processing fees of \$250 for initial applications for certificates of compliance and \$150 for renewals."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 1847 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	McQuaid	Purfeerst
Anderson	Davis	Johnson, D.J.	Mehrkens	Ramstad
Beckman	Decker	Knaak	Merriam	Reichgott
Belanger	DeCramer	Knutson	Metzen	Renneke
Benson	Dicklich	Kroening	Moe, D.M.	Samuelson
Berg	Diessner	Laidig	Moe, R.D.	Schmitz
Berglin	Flynn	Langseth	Morse	Solon
Bernhagen	Frank	Lantry	Olson	Spear
Bertram	Frederick	Larson	Pariseau	Storm
Brandl	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brataas	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Chmielewski	Freeman	Marty	Piepho	Waldorf
Cohen	Gustafson	McGowan	Piper	

So the bill, as amended, was passed and its title was agreed to.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Johnson, D.J. moved that the following members be excused for a Conference Committee on H.F. No. 2478 at 2:15 p.m.:

Messrs. Pogemiller, Novak, Stumpf, Belanger and Johnson, D.J. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Solon moved that H.F. No. 2474 be taken from the table. The motion prevailed.

H.F. No. 2474: A bill for an act relating to insurance; long-term care; modifying the definition of medically prescribed long-term care; allowing additional licensed health care providers to prepare plans of care; regulating assessments; regulating cancellations; amending Minnesota Statutes 1988, sections 62A.46, subdivisions 2, 4, 5, and 8; 62A.48, subdivision 3, and by adding a subdivision; and 62A.56; Minnesota Statutes 1989 Supplement, section 62A.48, subdivision 1.

Mr. Solon moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2474, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2430 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2430: A bill for an act relating to financial institutions; establishing a system for the evaluation and rating of community reinvestment by depository financial institutions owned by interstate holding companies; providing uniformity with federal financial institutions regulatory practices; regulating public disclosure of uniform rating; amending Minnesota Statutes 1988, section 48.93, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 47.

Mr. Solon moved to amend S.F. No. 2430 as follows:

Page 1, after line 11, insert:

"ARTICLE 1

COMMUNITY REINVESTMENT RATING"

Page 5, line 13, delete "*This act applies*" and insert "*Sections 1 to 7 apply*"

Page 5, after line 14, insert:

"ARTICLE 2

BANK ACQUISITION

Section 1. [46.047] [DEFINITIONS.]

Subdivision 1. [WORDS, TERMS, AND PHRASES.] For the purposes of sections 1 and 2, the terms defined in this section have the meanings given them, unless the language or context clearly indicates that a different meaning is intended.

Subd. 2. [BANKING INSTITUTION.] The term "banking institution" means a bank, trust company, bank and trust company, mutual savings bank, or thrift institution, that is organized under the laws of this state.

Sec. 2. [46.048] [NOTICE OF PROPOSED ACQUISITION.]

Subdivision 1. [REQUIREMENT.] Whenever a change in the outstanding voting stock of a banking institution will result in control or in a change in the control of the banking institution, the person acquiring control of the banking institution shall file notice of the proposed acquisition of

control with the commissioner of commerce at least 60 days before the actual effective date of the change. As used in this section, the term "control" means the power to directly or indirectly direct or cause the direction of the management or policies of the banking institution. A change in ownership of capital stock that would result in direct or indirect ownership by a stockholder or an affiliated group of stockholders of less than 25 percent of the outstanding capital stock is not considered a change of control. If there is any doubt as to whether a change in the outstanding voting stock is sufficient to result in control or to effect a change in the control, the doubt shall be resolved in favor of reporting the facts to the commissioner. The commissioner shall use the criteria established by the Financial Institution Regulatory and Interest Rate Control Act of 1987, United States Code, title 12, section 1817(j), and the regulations adopted under it, when reviewing the acquisition.

Subd. 2. [CONTENTS.] The notice required by subdivision 1 must contain the following information to the extent that it is known by the person making the notice: (1) the number of shares involved; (2) the names of the sellers or transferors; (3) the names of the purchasers or transferees; (4) the names of the beneficial owners if the shares are registered in another name; and (5) the total number of shares owned by the sellers or transferors, the purchasers, or transferees, and the beneficial owners both immediately before and after the transaction. In addition, the notice must contain other information as may be available to inform the commissioner of the effect of the transaction upon control of the banking institution whose stock is involved.

Subd. 3. [BACKGROUND CHECKS.] In addition to any other information the commissioner may be able to obtain pursuant to section 13.82, the Minnesota bureau of criminal apprehension shall, upon the commissioner's request, provide fingerprint and background checks on all persons named in the notice required by subdivision 2.

ARTICLE 3

MINNESOTA TRANSMISSION FACILITY

Section 1. Minnesota Statutes 1988, section 47.61, is amended by adding a subdivision to read:

Subd. 4a. "Minnesota transmission facility" means (1) a transmission facility which is owned or controlled by financial institutions located in Minnesota; (2) a transmission facility owned or controlled by a bank holding company or savings and loan holding company if domiciled or headquartered in Minnesota; or (3) a transmission facility established in Minnesota and approved by the commissioner under section 47.65, subdivision 1, as of the effective date of this act.

Sec. 2. Minnesota Statutes 1988, section 47.65, is amended by adding a subdivision to read:

Subd. 1a. A Minnesota transmission facility which is used by, or made available to, any other Minnesota transmission facility must be made available on fair, equitable, and nondiscriminatory terms to all other Minnesota transmission facilities upon request of such Minnesota transmission facility. Such person requesting use of a Minnesota transmission facility shall be permitted its use only if the person conforms to reasonable technical operating standards which have been established by the Minnesota transmission facility.

The charges required to be paid to any Minnesota transmission facility shall be related to the costs of establishing, operating, and maintaining such facility plus a reasonable return on those costs to the owner of the facility and may provide for amortization of development costs and capital expenditures over a reasonable period of time; provided such charges as may be separately determined and established from time to time by each Minnesota transmission facility are fair, equitable, and nondiscriminatory.

Sec. 3. Minnesota Statutes 1988, section 47.65, is amended by adding a subdivision to read:

Subd. 1b. Nothing in subdivision 1a shall prevent a corporation contracting with Minnesota state and local governmental units to provide electronic benefits transfer or electronic fund transfer services from utilizing their point of service terminals, networks, or attendant support systems for commercial purposes.

ARTICLE 4

INTERSTATE BANKING

Section 1. Minnesota Statutes 1988, section 48.92, subdivision 7, is amended to read:

Subd. 7. [RECIPROCATING STATE.] "Reciprocating state" is: (1) a state that authorizes the acquisition, directly or indirectly, or control of, banks in that state by a bank or bank holding company located in this state under conditions substantially similar to those imposed by the laws of Minnesota as determined by the commissioner; and (2) limited to the states of Iowa, North Dakota, South Dakota, Wisconsin, Colorado, Idaho, Illinois, Indiana, Kansas, Missouri, Montana, Nebraska, Washington, and Wyoming."

Amend the title as follows:

Page 1, line 8, after the semicolon, insert "requiring notice to the commissioner of proposed acquisitions of control; regulating Minnesota transmission facilities; allowing equal access by other transmission facilities; permitting interstate banking with an additional reciprocating state;"

Page 1, line 9, delete "section" and insert "sections 47.61, by adding a subdivision; 47.65, by adding subdivisions; 48.92, subdivision 7; and"

Page 1, line 10, delete "chapter" and insert "chapters 46 and"

The motion prevailed. So the amendment was adopted.

S.F. No. 2430 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	McGowan	Piper
Anderson	Davis	Johnson, D.E.	McQuaid	Ramstad
Beckman	Decker	Knaak	Mehrkens	Reichgott
Benson	Dicklich	Knutson	Metzens	Renneke
Berg	Diessner	Kroening	Moe, D.M.	Schmitz
Berglin	Flynn	Laidig	Moe, R.D.	Solon
Bernhagen	Frank	Langseth	Morse	Spear
Bertram	Frederick	Lantry	Olson	Vickerman
Brandl	Frederickson, D.J.	Larson	Pariseau	Waldorf
Brataas	Frederickson, D.R.	Lessard	Pehler	
Chmielewski	Freeman	Luther	Peterson, R.W.	
Cohen	Gustafson	Marty	Piepho	

So the bill, as amended, was passed and its title was agreed to.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Messages From the House.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the following change in the membership of the Conference Committee on House File No. 1928:

The name of Beard has been deleted, the name of Sarna has been added.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 3, 1990

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Bertram moved that Senate Concurrent Resolution No. 10 be taken from the table. The motion prevailed.

Senate Concurrent Resolution No. 10: A Senate concurrent resolution supporting the efforts of the volunteers working to build a Minnesota Vietnam Veterans Memorial.

WHEREAS, over 68,000 men and women from Minnesota served in our nation in the Vietnam War; and

WHEREAS, 1,030 service personnel were killed in the defense of freedom and 42 are still missing in action; and

WHEREAS, we must never forget the price these service personnel paid with their lives and their families continue to pay with their hearts; and

WHEREAS, the Minnesota Vietnam Veterans Memorial will be dedicated in 1991 on the State Capitol grounds and will honor and thank those who served our country and state, will strengthen the common bond of all veterans, and will be visited by generations of grateful Minnesotans; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota, the House of Representatives concurring, that the Senate and House support the efforts of the volunteers working to build a Minnesota Vietnam Veterans Memorial.

BE IT FURTHER RESOLVED that the Secretary of the Senate is directed to prepare an enrolled copy of this resolution, to be authenticated by his signature and those of the Chair of the Senate Rules and Administration

Committee and the Speaker of the House of Representatives, and present it to the Minnesota Vietnam Veterans Memorial, Inc.

Mr. Bertram moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F No. 2347 a Special Order to be heard immediately.

SPECIAL ORDER

S.F No. 2347: A bill for an act relating to environmental protection; approving state membership in the Great Lakes Protection Fund; proposing coding for new law as Minnesota Statutes, chapter 116Q.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	Mehrkens	Ramstad
Anderson	Davis	Johnson, D.E.	Merriam	Reichgott
Beckman	Decker	Knutson	Metzen	Renneke
Benson	DeCramer	Kroening	Moe, R.D.	Schmitz
Berg	Dicklich	Laidig	Morse	Solon
Berglin	Flynn	Langseth	Olson	Spear
Bernhagen	Frank	Lantry	Pariseau	Vickerman
Bertram	Frederick	Larson	Pehler	Waldorf
Brandl	Frederickson, D.J.	Luther	Peterson, R.W.	
Brataas	Frederickson, D.R.	Marty	Piepho	
Chmielewski	Freeman	McGowan	Piper	
Cohen	Gustafson	McQuaid	Purfeerst	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F No. 1871 a Special Order to be heard immediately.

SPECIAL ORDER

S.F No. 1871: A bill for an act relating to the city of Detroit Lakes; authorizing the establishment of a detached banking facility under certain conditions.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.E.	McQuaid	Purfeerst
Anderson	Decker	Knaak	Mehrkens	Ramstad
Beckman	DeCramer	Knutson	Merriam	Reichgott
Benson	Dicklich	Kroening	Metzen	Renneke
Berg	Flynn	Laidig	Moe, D.M.	Schmitz
Berglin	Frank	Langseth	Moe, R.D.	Solon
Bernhagen	Frederick	Lantry	Morse	Spear
Bertram	Frederickson, D.J.	Larson	Olson	Vickerman
Brandl	Frederickson, D.R.	Lessard	Pariseau	Waldorf
Brataas	Freeman	Luther	Peterson, R.W.	
Cohen	Gustafson	Marty	Piepho	
Dahl	Hughes	McGowan	Piper	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2645 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2645: A bill for an act relating to insurance; regulating domestic insurers; providing for domestications and conversions to foreign insurers; proposing coding for new law in Minnesota Statutes, chapter 60A.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Hughes	McGowan	Purfeerst
Anderson	Decker	Johnson, D.E.	McQuaid	Ramstad
Beckman	DeCramer	Knaak	Mehrkens	Reichgott
Berg	Dicklich	Knutson	Merriam	Samuelson
Berglin	Diessner	Kroening	Metzen	Schmitz
Bernhagen	Flynn	Laidig	Moe, D.M.	Solon
Bertram	Frank	Langseth	Morse	Spear
Brandl	Frederick	Lantry	Olson	Vickerman
Brataas	Frederickson, D.J.	Larson	Pariseau	Waldorf
Chmielewski	Frederickson, D.R.	Lessard	Peterson, R.W.	
Cohen	Freeman	Luther	Piepho	
Dahl	Gustafson	Marty	Piper	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

CONFIRMATION

Mr. Pehler moved that the report from the Committee on Education, reported March 29, 1990, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Pehler moved that the foregoing report be now adopted. The motion prevailed.

Mr. Pehler moved that in accordance with the report from the Committee on Education, reported March 29, 1990, the Senate, having given its advice, do now consent to and confirm the appointments of:

STATE BOARD FOR COMMUNITY COLLEGES

John Borchert, 23239 St. Croix Trl. N., Scandia, Washington County, effective March 14, 1990, for a term expiring the first Monday in January, 1992.

STATE BOARD OF VOCATIONAL TECHNICAL EDUCATION

Douglas Knowlton, 823 James Ave. S.E., East Grand Forks, Polk County, effective March 14, 1990, for a term expiring the first Monday in January, 1994.

Gerald Mullen, 6259 Gopher Blvd., Oakdale, Washington County, effective March 14, 1990, for a term expiring the first Monday in January, 1992.

John O'Connor, 10677 - 114th St., Stillwater, Washington County, effective March 14, 1990, for a term expiring the first Monday in January, 1994.

STATE UNIVERSITY BOARD

Paula Dykstra, 1776 Poppy Rd., St. Cloud, Stearns County, effective March 18, 1990, for a term expiring the first Monday in January, 1994.

Elizabeth Pegues, 27 Nord Circle Rd., North Oaks, Ramsey County, effective March 18, 1990, for a term expiring the first Monday in January, 1994.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Dicklich moved that the report from the Committee on Public Utilities and Energy, reported February 26, 1990, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Dicklich moved that the foregoing report be now adopted. The motion prevailed.

Mr. Dicklich moved that in accordance with the report from the Committee on Public Utilities and Energy, reported February 26, 1990, the Senate, having given its advice, do now consent to and confirm the appointments of:

PUBLIC UTILITIES COMMISSION

Norma McKanna, 100 Emerson Ave. W., West St. Paul, Dakota County, effective January 1, 1990, for a term expiring the first Monday in January, 1996.

Patrice Vick, 110 N. St. Albans, St. Paul, Ramsey County, effective December 4, 1989, for a term expiring the first Monday in January, 1992.

Mr. Laidig requested that the appointment of Patrice Vick be divided out.

The question was taken on the adoption of the motion to confirm the appointment of Norma McKanna. The motion prevailed. So the appointment was confirmed.

The question was taken on the adoption of the motion to confirm the appointment of Patrice Vick.

The roll was called, and there were yeas 35 and nays 24, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Hughes	Metzen	Ramstad
Beckman	DeCramer	Kroening	Moe, R.D.	Reichgott
Berglin	Dicklich	Langseth	Morse	Schmitz
Bertram	Diessner	Lantry	Pehler	Solon
Chmielewski	Frank	Lessard	Peterson, R.W.	Spear
Cohen	Frederickson, D.J.	Luther	Piper	Vickerman
Dahl	Frecman	Marty	Purfeerst	Waldorf

Those who voted in the negative were:

Anderson	Decker	Johnson, D.E.	McGowan	Pariseau
Benson	Flynn	Knaak	McQuaid	Piepho
Bernhagen	Frederick	Knutson	Mehrkens	Renneke
Brandt	Frederickson, D.R.	Laidig	Merriam	Storm
Brataas	Gustafson	Larson	Olson	

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS - CONTINUED

CONFIRMATION

Mr. Davis moved that the reports from the Committee on Agriculture and Rural Development, reported March 29, 1990, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Davis moved that the foregoing reports be now adopted. The motion prevailed.

Mr. Davis moved that in accordance with the reports from the Committee on Agriculture and Rural Development, reported March 29, 1990, the Senate, having given its advice, do now consent to and confirm the appointments of:

BOARD OF ANIMAL HEALTH

Theodore Huisinga, 5770 County Rd. 9 N.E., Willmar, Kandiyohi County, effective January 30, 1990, for a term expiring the first Monday in January, 1994.

MINNESOTA RURAL FINANCE AUTHORITY

Paul A. Sobocinski, Rt. 1, Box 104, Wabasso, Redwood County, effective January 26, 1988, for a term expiring the first Monday in January, 1992.

David Velde, Rt. 2, Box 49, Carlos, Douglas County, effective January 24, 1990, for a term expiring the first Monday in January, 1994.

The motion prevailed. So the appointments were confirmed.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Reports of Committees and Second Reading of Senate Bills.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 2018: A bill for an act relating to lawful gambling; defining lawful purposes for expenditures of gambling profits; establishing licensing qualifications for organizations and manufacturers; requiring organizations to report monthly on expenditures and contributions of gambling profits; authorizing the gambling control board to require recipients of contributions of gambling profits to register with the board; authorizing summary suspension of gambling licenses for failure to file tax returns; authorizing a limited number of video pull-tab devices and establishing standards and requirements for them; requiring inspection and testing of gambling equipment; requiring permits for gambling premises; requiring gambling managers to be licensed; requiring that employees of organizations conducting lawful gambling be registered with the board; requiring local gambling taxes and prescribing uses for revenue therefrom; abolishing lawful gambling on July 1, 1993; amending Minnesota Statutes 1988, sections 349.12, subdivisions 10, 18, and by adding subdivisions; 349.16, as amended; 349.17, as amended; 349.18, as amended; 349.19, as amended; 349.212, subdivision 5; 349.2121, subdivisions 1 and 4a; 349.2123; 349.30, subdivision 2; 349.31; 349.32; 349.34; 349.35, subdivision 1; 349.36; 349.38; 349.39; 349.50, subdivision 8; 349.55; 609.75, subdivision 4; Minnesota Statutes 1989 Supplement, sections 299L.03, by adding a subdivision; 340A.410, subdivision 5; 349.12, subdivisions 12 and 15; 349.151, subdivision 4; 349.152, subdivision 2, and by adding subdivisions; 349.161, as amended; 349.162; 349.163, as amended; 349.164; 349.2121, subdivision 2; 349.2122; 349.213, subdivision 2; 609.75, subdivision 3; 609.761, subdivision 1; Minnesota Statutes Second 1989 Supplement, sections 349.12, subdivisions 11 and 19; 349.15; 349.212, subdivisions 1, 2, and 4; Laws 1989, First Special Session chapter 1, article 13, section 27; proposing coding for new law in Minnesota Statutes, chapter 349; repealing Minnesota Statutes 1988, sections 349.11, as amended; 349.12, as amended; 349.13; 349.14; 349.15, as amended; 349.16, as amended; 349.161, as amended; 349.162, as amended; 349.163, as amended; 349.164, as amended; 349.17, as amended; 349.18, as amended; 349.19, as amended; 349.211; 349.212, as amended; 349.2121, as amended; 349.2122, as amended; 349.2123; 349.2124; 349.2125, as amended; 349.2127, as amended; 349.213, as amended; 349.214, subdivisions 1, 1a, 3, and 4; 349.22, as amended; 349.23; Minnesota Statutes 1989 Supplement, sections 349.151, subdivisions 1, 2, 4, 4a, and 5; 349.152; 349.153; 349.20; 349.21; 349.215; 349.2151; 349.2152; 349.216; 349.217; 349.2171; 349.218; 349.219; Minnesota Statutes Second 1989 Supplement, section 349.214, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 7, delete "*read-only*"

Page 4, line 30, delete "20" and insert "21"

Page 5, line 6, delete "*funds*" and insert "*scholarships*"

Page 5, line 28, after the comma, insert "*the tax imposed on unrelated business income by section 290.05, subdivision 3,*"

Page 6, line 8, delete "*which*" and insert "*that*"

Page 7, line 6, delete "*read-only*"

Page 8, after line 25, insert:

“Sec. 16. Minnesota Statutes 1989 Supplement, section 349.151, is amended by adding a subdivision to read:

Subd. 3. [COMPENSATION.] The compensation of board members is as provided in section 15.0575, subdivision 3.”

Page 9, line 34, delete “*such*” and insert “*the*”

Page 10, line 1, delete “*those*”

Page 13, line 8, delete “*which*” and insert “*that*”

Page 13, line 28, reinstate the stricken period and delete the colon

Page 14, line 3, delete “*has*” and insert a comma

Page 14, line 4, delete “*prior to*” and insert “*before*” and after “*license*” insert “*, has*”

Page 15, line 20, delete “(1)”

Page 15, line 21, delete the semicolon and delete “(2)”

Page 17, line 30, strike the first comma

Page 17, line 36, strike “or”

Page 18, line 15, delete “(1)”

Page 18, line 16, delete the semicolon and delete “(2)”

Page 19, line 2, delete “*No*” and insert “*A*” and after “*may*” insert “*not*”

Page 19, line 15, delete “*which*” and insert “*that*”

Page 19, line 35, delete “(1)”

Page 19, line 36, delete the comma

Page 20, line 1, delete “(2)”

Page 20, line 18, delete “*no*” and insert “*a*”

Page 20, line 19, after “*may*” insert “*not*” and delete “*which*” and insert “*that*”

Page 21, line 25, strike “issued”

Page 22, line 25, delete “*Minnesota*” and insert “*this state*”

Page 23, line 6, delete “*which*” and insert “*that*”

Page 24, line 13, delete “*No*” and insert “*A*” and after “*may*” insert “*not*”

Page 24, line 34, delete “*which*” and insert “*that*”

Page 25, line 4, delete “*any*”

Page 25, lines 9, 10, and 13, delete “*which*” and insert “*that*”

Page 25, line 20, delete “*such*” and insert “*the*” and delete “*as*”

Page 25, line 26, delete “*such*” and insert “*the*”

Page 26, line 9, delete “*which*” and insert “*that*”

Page 28, line 5, delete “*No*” and insert “*A*”

Page 28, line 6, after “*may*” insert “*not*” and delete the first “*any*”

Page 28, line 21, delete “*such*” and delete “*as*”

Page 29, line 2, delete “*No*” and insert “*An*”

Page 29, line 3, after “*may*” insert “*not*”

Page 30, line 6, delete “*single page*” and insert “*single-page*”

Page 30, line 16, delete “*subsequently*” and insert “*later*”

Page 30, lines 32 and 34, delete “*which*” and insert “*that*”

Page 31, line 5, delete “*is*” and insert “*are*”

Page 31, line 14, delete “*or*” and insert “*of*”

Page 31, line 16, delete “*(1)*” and delete the semicolon and delete “*(2)*”

Page 31, line 31, delete “*any*” and insert “*a*”

Page 31, line 32, delete “*No*” and insert “*A*” and after “*may*” insert “*not*”

Page 31, line 33, delete “*any*” and insert “*an*”

Page 32, line 1, delete “*such*” and insert “*the*”

Page 32, line 2, delete “*as*” and insert “*that*”

Page 32, line 3, after the first “*the*” insert “*last*” and delete “*prior to*” and insert “*before*”

Page 32, line 7, delete “*any*” and insert “*a*” and delete “*which*” insert “*that*”

Page 32, lines 8 and 10, delete “*any*” and insert “*a*”

Page 32, line 24, delete “*No*” and insert “*A*” and after “*may*” insert “*not*”

Page 32, line 28, after “*provide*” insert a colon

Page 33, line 2, after “*card*” insert a comma

Page 33, lines 5 and 6, delete “*engaged in such employment*” and insert “*conducting the lawful gambling*”

Page 33, line 19, delete “*which*” and insert “*that*”

Page 33, line 25, delete “*for the*” and insert “*who participate in the*”

Page 33, line 28, delete “*be an itemization of*” and insert “*itemize*”

Page 33, lines 29 and 30, delete “*of compensation paid*”

Page 33, line 36, delete “*of the organization*”

Page 34, lines 2 and 22, delete “*which*” and insert “*that*”

Page 34, line 3, delete “*the provisions of*”

Page 34, lines 3, 7, and 11, delete “*shall*” and insert “*must*”

Page 36, line 1, after “*organizations*” insert a colon

Page 36, line 9, delete “*at any location*” and insert a comma

Page 36, line 14, delete the first “*which*” and insert “*that*”

Page 36, line 23, delete “No” and insert “An” and after “may” insert “not”

Page 37, line 6, after “section” insert “and rules adopted by the board under subdivision 11,”

Page 37, line 7, after the period, insert “Fee receipts must be credited to a video pull-tab account. Money in the account is appropriated to the board to administer and enforce this section and rules adopted by the board under subdivision 11.”

Page 37, line 14, delete “or”

Page 37, line 15, after “distributor” insert a semicolon and after “or” insert “(3)” and delete “thereof. No person” and insert “of a licensed distributor. A person.”

Page 37, line 18, after “may” insert “not”

Page 37, line 28, delete “All”

Page 37, line 36, delete “such” and insert “the”

Page 38, line 1, delete “a”

Page 38, line 7, delete “No” and insert “A”

Page 38, line 8, after “may” insert “not” and delete “any” and insert “a”

Page 38, line 17, delete “read-only”

Page 38, line 18, delete “such” and insert “the” and delete “as”

Page 38, line 19, delete “(1)”

Page 38, line 20, delete the comma and delete “(2)”

Page 38, lines 31 and 32, delete “which” and insert “that”

Page 39, line 8, delete everything after the period

Page 39, delete line 9

Page 39, line 10, delete everything before “If”

Page 39, line 12, after the period, insert “The video pull-tab device memory chip must be programmed to display on the video screen the unique serial number of the chip and a statement that the chip is to be sold only in Minnesota.”

Page 40, line 27, delete “which” and insert “that”

Page 41, line 2, delete “No” and insert “A” and after “may” insert “not”

Page 42, line 11, delete “the provisions of”

Page 42, line 16, delete “No” and insert “A” and delete “may” and insert “must” and delete everything after “stand”

Page 42, line 17, delete “location” and delete “cannot” and insert “can”

Page 42, line 21, delete “No” and insert “A”

Page 42, lines 22 and 26, after “may” insert “not”

Page 42, line 23, delete “such a” and insert “the” and delete “No” and

insert "A"

Page 42, line 25, delete "and no" and insert "or an"

Page 42, lines 27 and 31, delete "any" and insert "a"

Page 42, line 28, delete "No" and insert "A" and after "may" insert "not"

Page 42, line 33, delete "provisions of"

Page 42, line 35, delete "upon presentation of" and insert ", when" and delete "and"

Page 42, line 36, delete "making payment thereof" and insert "is presented and paid,"

Page 43, lines 4 and 6, delete "any" and insert "a"

Page 43, line 10, delete "thereon" and insert "on them" and after "include" insert ", but need not be limited to"

Page 43, line 15, delete "and"

Page 43, line 16, before the period, insert "; and

(5) methods for monitoring play on video pull-tab devices"

Page 43, line 21, delete "which" and insert "that"

Page 44, line 21, delete "No"

Page 44, line 22, after "may" insert "not"

Page 46, line 7, delete "such" and insert "the"

Page 46, line 8, delete "a"

Page 46, line 29, delete "All"

Page 47, line 13, delete "20" and insert "21"

Page 48, line 16, delete "each such" and insert "the"

Page 48, after line 25, insert:

"Sec. 37. Minnesota Statutes 1988, section 349.211, is amended by adding a subdivision to read:

Subd. 5. [PULL-TAB AND TIPBOARD PAYOUT.] The total amount awarded in prizes on a pull-tab or tipboard deal must not exceed 77 percent of the ideal gross of the deal."

Page 50, line 27, delete "28" and insert "29"

Page 53, line 11, delete "such" and insert "the"

Page 53, line 17, delete "any" and insert "a"

Page 56, line 8, after "TO" insert "SUSPEND OR"

Page 57, line 11, before "REVOCATION" insert "SUSPENSION;"

Page 59, line 25, delete "No" and insert "A" and after "may" insert "not"

Page 61, line 36, delete "[FUNDS.] All funds appropriated" and insert "[APPROPRIATIONS.] The unencumbered balance of every appropriation"

Page 62, line 1, delete "and" and insert "or" and delete "revert" and

insert "*must be canceled*"

Page 62, line 13, delete "*abolishment*" and insert "*abolition*"

Page 62, line 29, delete the second comma and insert a semicolon

Page 63, lines 5 and 6, delete "*16, 18, 20, 21, 22, 23, 25, and 26*" and insert "*17, 19, 21, 22, 23, 24, 26, and 27*"

Page 63, line 12, delete "*22, 23, 33, 36, 38, 40, 41, 42*" and insert "*23, 24, 34, 39, 41, 43, 44, 45*"

Page 63, line 13, delete "*59*" and insert "*62*"

Page 63, line 14, delete "*24, 27, 29, 30, and 55*" and insert "*25, 28, 30, 31, and 58*"

Page 63, line 15, delete "*56, 58, and 62*" and insert "*59, 61, and 65*"

Page 63, line 16, delete "*62*" and insert "*65*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 20, after the semicolon, insert "*appropriating money;*"

Page 1, line 23, after the second semicolon, insert "*349.211, by adding a subdivision;*"

Page 1, line 31, after "*4*" insert "*,*" and by adding a subdivision"

And when so amended the bill do pass. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. No. 2018 was read the second time.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

APPOINTMENTS

Mr. Moe, R.D. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H.F. No. 2457: Messrs. Pogemiller; Johnson, D.J. and Ms. Reichgott.

H.F. No. 2294: Mr. Vickerman, Ms. Reichgott and Mr. Purfeerst.

H.F. No. 2480: Messrs. Pogemiller; Johnson, D.J.; Ms. Reichgott, Messrs. Stumpf and Belanger.

H.F. No. 2474: Messrs. Solon, Metzen and Larson.

H.F. No. 1730: Mrs. Lantry, Mr. Solon and Mrs. McQuaid.

H.F. No. 2343: Messrs. Brandl, Solon and Frederick.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The

motion prevailed.

MEMBERS EXCUSED

Mr. DeCramer was excused from the Session of today from 12:00 noon to 1:00 p.m. Mr. Piepho was excused from the Session of today at 3:30 p.m. Mr. Moe, D.M. was excused from the Session of today from 2:00 to 2:30 p.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Wednesday, April 4, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

EIGHTY-FOURTH DAY

St. Paul, Minnesota, Wednesday, April 4, 1990

The Senate met at 12:00 noon and was called to order by the President.

CALL OF THE SENATE

Mrs. Lantry imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by Jerry and Patty Wetterling.

The roll was called, and the following Senators answered to their names:

Adkins	Davis	Johnson, D.J.	Merriam	Ramstad
Anderson	Decker	Knaak	Metzen	Reichgott
Beckman	DeCramer	Knutson	Moe, D.M.	Renneke
Belanger	Dicklich	Kroening	Moe, R.D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Langseth	Novak	Solon
Berglin	Frank	Lantry	Olson	Spear
Bernhagen	Frederick	Larson	Pariseau	Storm
Bertram	Frederickson, D.J.	Lessard	Pehler	Stumpf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brataas	Freeman	Marty	Piepho	Waldorf
Chmielewski	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

April 2, 1990

The Honorable Robert E. Vanasek
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 1990 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 1990	Date Filed 1990
1922		364	1900 hours March 30	April 2
	2609	365	1400 hours March 30	April 2
	2143	371	1902 hours March 30	April 2
	2521	373	1859 hours March 30	April 2
	2336	374	1858 hours March 30	April 2
	2058	375	1855 hours March 30	April 2
	2212	376	2232 hours March 29	March 30
	2062	377	1904 hours March 30	April 2
	2045	378	1905 hours March 30	April 2

Sincerely,
Joan Anderson Growe
Secretary of State

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 1727, 2360 and 2072.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 3, 1990

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1848: A bill for an act relating to housing; making changes in the home equity conversion loan program, authorizing manufactured home park loan assistance, requiring limits, and regulating securities relating to certain home loans; amending Minnesota Statutes 1988, sections 462A.05, by adding a subdivision; 462A.21, subdivision 9; 475.66, subdivision 3; Minnesota Statutes 1989 Supplement, sections 462A.05, subdivision 34; 462A.057, subdivision 7; 462A.21, subdivisions 8b and 8c; and Laws 1989, chapter 335, article 1, section 27, subdivision 1.

Senate File No. 1848 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 3, 1990

Mr. Merriam moved that S.F. No. 1848 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1971: A bill for an act relating to education; establishing an automobile safety awareness week; proposing coding for new law in Minnesota Statutes, chapter 126.

Senate File No. 1971 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 3, 1990

CONCURRENCE AND REPASSAGE

Mr. Knutson moved that the Senate concur in the amendments by the House to S.F. No. 1971 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1971 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 55 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Decker	Johnson, D.E.	McGowan	Pogemiller
Anderson	Dicklich	Johnson, D.J.	McQuaid	Purfeerst
Beckman	Diessner	Knaak	Mehrkens	Ramstad
Belanger	Flynn	Knutson	Metzen	Reichgott
Benson	Frank	Kroening	Moe, R.D.	Renneke
Berglin	Frederick	Laidig	Morse	Schmitz
Bernhagen	Frederickson, D.J.	Langseth	Novak	Spear
Bertram	Frederickson, D.R.	Lantry	Olson	Storm
Brandl	Freeman	Lessard	Pariseau	Stumpf
Cohen	Gustafson	Luther	Piepho	Vickerman
Davis	Hughes	Marty	Piper	Waldorf

Messrs. Merriam and Peterson, R.W. voted in the negative.

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1743: A bill for an act relating to telephone service; regulating the installation of extended area service in exchanges; requiring the expansion of the metropolitan extended area telephone service, under some circumstances; proposing coding for new law in Minnesota Statutes, chapter 237.

Senate File No. 1743 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 3, 1990

Mr. Schmitz moved that the Senate do not concur in the amendments by the House to S.F. No. 1743, and that a Conference Committee of 3 members

be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the adoption by the House of the following House Concurrent Resolution, herewith transmitted:

House Concurrent Resolution No. 4: A House concurrent resolution relating to local government packaging ordinances.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 3, 1990

Mr. Moe, R.D. moved that House Concurrent Resolution No. 4 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 2230 and 1843.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 3, 1990

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 2230: A bill for an act relating to public purchasing; establishing programs for purchasing from certain small targeted group businesses and businesses located in economically disadvantaged areas; requiring prompt payment to subcontractors; providing penalties; amending Minnesota Statutes 1988, sections 16B.07, by adding a subdivision; 16B.20, subdivisions 1 and 3; 161.321, subdivisions 1, 4, 5, and by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 16B.19; 16B.20, subdivision 2; 16B.21; 16B.22; 16B.226; 116J.68; 136.27; 136.72; 137.31, subdivision 6; 161.321, subdivisions 2, 3, and 6; 161.3211; 241.27, subdivision 2; 471.345, subdivision 8; and 473.142; Laws 1989, chapter 352, section 25; proposing coding for new law in Minnesota Statutes, chapters 16A; 16B; and 137; repealing Minnesota Statutes 1989 Supplement, sections 16B.189; 137.31, subdivision 3a; and 645.445, subdivision 5.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2075, now on General Orders.

H.F. No. 1843: A bill for an act relating to crime; changing the scope of certain controlled substance offenses; allowing prosecution in any county of controlled substance offenses involving sales of amounts aggregated over a 90-day period; providing that cocaine base is weighed as a mixture for purposes of first, second, and third degree controlled substance crimes; prohibiting the importing of controlled substances into the state; requiring the reporting of transactions involving substances that are precursors to

controlled substances; providing for the distribution of forfeiture proceeds; defining controlled substances for purposes of reporting prenatal exposure to controlled substances; clarifying these reporting provisions; providing for maternal and child health services in chemical abuse situations; clarifying habitual DWI offender sanctions; requiring adoption of day-fine systems by each judicial district; creating intensive community supervision programs for certain prison inmates and offenders; creating pilot programs to require drug and alcohol testing as a condition of probation; creating pilot programs to provide chemical dependency treatment services in juvenile and adult jails and correctional facilities; creating pilot programs to require chemical dependency assessments for drug offenders; requiring a chemical use assessment to be conducted when a child is found delinquent of a drug offense; requiring chemical dependency treatment for certain offenders; providing an affirmative defense for certain liquor offenses; authorizing the court to order intermediate sanctions as a condition of probation; defining intermediate sanctions; appropriating money; amending Minnesota Statutes 1988, sections 90.301, subdivision 6; 145.88; 169.121, subdivisions 3a and 5; 169.124, subdivisions 1 and 2; 169.126, subdivisions 1, 4b, and 6; 244.05, by adding a subdivision; 256.98, subdivision 1; 256B.35, subdivision 5; 260.151, subdivision 1; 268.18, subdivision 3; 340A.503, subdivisions 1 and 3; 473.608, subdivision 17; 609.135, subdivisions 1, 6, and by adding a subdivision; 609.14; 631.40; and 631.48; Minnesota Statutes 1989 Supplement, sections 145.882, subdivision 7; 152.021; 152.022; 152.023, subdivisions 1 and 2; 152.024, subdivisions 1 and 2; 152.025, subdivision 1; 152.027, subdivision 4; 152.028, subdivision 2; 169.121, subdivision 3b; 169.126, subdivision 4; 244.05, subdivision 4; 260.193, subdivision 8; 299A.34, subdivision 1; 299A.35, subdivision 2; 299C.155, subdivisions 2 and 3; 340A.503, subdivision 2; 609.5315, subdivision 5; 626.556, subdivision 2; 626.5561, subdivisions 1, 3, 4, and by adding a subdivision; and 626.5562, subdivisions 1, 2, and 4; Laws 1989, chapter 290, article 1, section 6; proposing coding for new law in Minnesota Statutes, chapters 152; 214; 244; 299A; and 481; repealing Minnesota Statutes 1988, sections 169.124, subdivision 3; 169.126, subdivisions 2 and 3; Minnesota Statutes 1989 Supplement, section 169.126, subdivision 4a.

Mr. Moe, R.D. moved that H.F. No. 1843 be laid on the table. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 2075: A bill for an act relating to public purchasing; establishing programs for purchasing from certain small targeted group businesses and businesses located in economically disadvantaged areas; requiring prompt payment to subcontractors; providing penalties; amending Minnesota Statutes 1988, sections 16A.124, subdivision 1; 16B.07, by adding a subdivision; 16B.20, subdivisions 1 and 3; 161.321, subdivisions 1, 4, 5, and by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 16B.19; 16B.20, subdivision 2; 16B.21; 16B.22; 16B.226; 116J.68; 136.27; 136.72; 137.31, subdivision 6; 161.321, subdivisions 2, 3, and 6; 161.3211; 241.27, subdivision 2; 471.345, subdivision 8; and 473.142; Laws 1989,

chapter 352, section 25; proposing coding for new law in Minnesota Statutes, chapters 16A; 16B; and 137; repealing Minnesota Statutes 1989 Supplement, sections 16B.189; 137.31, subdivision 3a; and 645.445, subdivision 5.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 824: A bill for an act relating to environment; requiring recycling of CFCs under certain conditions; providing an exemption for medical devices; prohibiting the sale of certain motor vehicle coolants and certain solvents; providing a sales tax exemption; requiring facilities to file reports on certain CFCs to the emergency response commission; requiring capture and recycling of halons from fire extinguishers; amending Minnesota Statutes 1988, sections 116.70, subdivision 1; 297A.25, by adding a subdivision; Minnesota Statutes 1989 Supplement, section 299K.08, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 116 and 325E.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 22, delete "shall" and insert "may"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 2483: A bill for an act relating to corporations; clarifying and modifying provisions relating to the organization and operation of nonprofit corporations; amending Minnesota Statutes 1989 Supplement, sections 317A.011, subdivision 15; 317A.021, subdivisions 1, 2, 4, and 7; 317A.111, subdivisions 3 and 4; 317A.115, subdivision 2; 317A.133, subdivisions 1, 2, 3, and 4; 317A.181, subdivision 2; 317A.201; 317A.205; 317A.207, subdivision 1; 317A.213; 317A.225; 317A.237; 317A.251, subdivision 3; 317A.301; 317A.311; 317A.321; 317A.341, subdivision 2; 317A.401, subdivision 4; 317A.403; 317A.431; 317A.435, subdivision 2; 317A.443, subdivision 1; 317A.453, subdivision 3; 317A.455, subdivision 3; 317A.615, subdivision 1; 317A.711, subdivision 2; 317A.735, subdivisions 1 and 2; 317A.811, subdivisions 1, 4, and 6; 317A.821, subdivisions 1 and 2; 317A.823, subdivisions 2 and 3; and 354A.021, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, delete section 4

Page 3, after line 13, insert:

"Sec. 5. Minnesota Statutes 1989 Supplement, section 317A.021, subdivision 7, is amended to read:

Subd. 7. [NONELECTING NONPROFIT CORPORATIONS SUBJECT TO THIS CHAPTER AS OF JANUARY 1, 1991.] (a) A corporation in existence on January 1, 1991, that is within the scope of this chapter and incorporated under another statute of this state, other than a corporation incorporated under chapter 300, 309, or 315 that has not later become

governed by chapter 317, is governed by this chapter as of January 1, 1991, as though the corporation had been incorporated under this chapter. The provisions of the articles and bylaws of the corporation that may be included in the articles or bylaws under this chapter remain in effect. The provisions of the articles and bylaws of the corporation that are inconsistent with this chapter are not effective as of January 1, 1991. Provisions required by this chapter to be contained in the articles that do not appear in the articles are read into them as a matter of law.

(b) On and after January 1, 1991, a corporation that elected to reject Laws 1951, chapter 500, sections 1 to 25, that does not elect to be governed by this entire chapter is governed by sections 317A.131 to 317A.151; 317A.461; and 317A.601 to 317A.791."

Page 21, after line 11, insert:

"Sec. 44. [EFFECTIVE DATE.]

Sections 1 to 31 and 37 to 43 are effective the day following final enactment."

Renumber the sections in sequence

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was referred

H.F. No. 2081: A bill for an act relating to state government; regulating certain employment practices; permitting the transfer of vacation and sick leave for certain gubernatorial appointees; permitting employees on permanent layoff to test into new state positions; authorizing the donation of the value accrued vacation leave to other state employees under certain circumstances; making technical changes in the public employees insurance program; eliminating the authority of the board of medical examiners and the board of dentistry to set the salaries of their executive directors; designating certain positions in the unclassified service; eliminating obsolete language; appropriating money; amending Minnesota Statutes 1988, sections 15A.081, subdivision 7b, and by adding a subdivision; 15A.083, subdivisions 5 and 7; 43A.04, subdivisions 1 and 3, and by adding a subdivision; 43A.10, subdivisions 7 and 8; 43A.12, subdivision 5; 43A.13, subdivisions 2, 3, 4, 5, 6, and 7; 43A.15, subdivision 10; 43A.17, subdivisions 1 and 8; 43.18, subdivisions 4 and 5; 43A.191, subdivisions 2 and 3; 43A.23, subdivision 1; 43A.27, subdivision 4; 43A.316, subdivisions 2, 3, 5, 7, and 8; 43A.37, subdivision 1; 176.421, by adding a subdivision; 176B.02; 237.51, subdivision 5; 473.405, subdivision 12; Minnesota Statutes 1989 Supplement, section 43A.08, subdivision 1; 43A.316, subdivisions 9 and 10; 214.04, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 43A; repealing Minnesota Statutes 1988, section 43A.081, subdivisions 1, 2, and 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, after line 9, insert:

"Sec. 4. Minnesota Statutes 1988, section 15A.083, is amended by adding a subdivision to read:

Subd. 6a. [ADMINISTRATIVE LAW JUDGE; MAXIMUM SALARY.]

The maximum salary of an administrative law judge in the classified service employed by the office of administrative hearings is 90 percent of the salary of district court judges as set under section 15A.082, subdivision 3."

Page 3, line 14, delete "are" and strike "90 percent of" and insert "are the same as"

Page 5, lines 27 and 28, delete "section 43A.04,"

Pages 6 and 7, delete section 8

Pages 11 and 12, delete section 20

Page 13, after line 12, insert:

"(e) Total compensation for employees of the state agricultural society, the world trade center corporation, the Greater Minnesota Corporation, and the Minnesota state high school league must be set by the state agricultural society, the world trade center corporation board of directors, the Greater Minnesota Corporation board of directors, and the governing board of the Minnesota state high school league, respectively."

Page 13, line 27, delete "shall" and strike "take into account" and insert "the"

Page 25, line 9, delete "police" and insert "peace"

Pages 26 to 28, delete sections 39 to 41 and insert:

"Sec. 38. Minnesota Statutes 1988, section 487.13, is amended to read:
487.13 [BUDGET.]

The county board by resolution shall provide the budget for (1) the salaries of deputies, clerks and other employees in the office of the court administrator of county court; (2) other expenses necessary in the performance of the duties of said office and (3) the payment of premiums of any bonds required of the court administrator of county court or any deputy, clerk or employee in said office and the board is authorized to appropriate funds therefor and for the salary of the court administrator of county court. ~~Appeal from this resolution of the county board may be made in the manner prescribed in section 485.018, subdivision 7.~~"

Page 31, line 16, after "awards" insert a comma

Page 31, delete section 44 and insert:

"Sec. 41. [RETIRED JUDGES; OPTION TO PURCHASE INSURANCE.]

The following judges may exercise the option provided in section 26 within 30 days after the effective date of that section:

(1) judges who retired before July 1, 1981; and

(2) judges who retired after July 1, 1981, but who were not notified of the option available under Minnesota Statutes, section 43A.27, subdivision 4."

Page 31, line 23, after "5" insert "; and Minnesota Statutes 1989 Supplement, section 485.018, subdivision 7"

Page 31, delete section 46 and insert:

"Sec. 43. [EFFECTIVE DATES.]

Sections 1, 3, 4, 5, 19, 21, and 25 are effective July 1, 1990. Sections 8, 13, 14, 15, 17, 18, 26, 39, and 40 are effective the day following final enactment. Section 2 is effective the day following final enactment and applies to appointments made after June 30, 1989. Section 35 is effective August 1, 1991."

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to state government; regulating state employment practices; regulating the setting of certain salaries; ratifying certain salaries; amending Minnesota Statutes 1988, sections 15A.081, subdivision 7b, and by adding a subdivision; 15A.083, subdivisions 5, 7, and by adding a subdivision; 43A.04, subdivisions 1, 3, and by adding a subdivision; 43A.10, subdivisions 7 and 8; 43A.12, subdivision 5; 43A.13, subdivisions 2, 3, 4, 5, 6, and 7; 43A.15, subdivision 10; 43A.17, subdivision 1; 43A.18, subdivisions 4 and 5; 43A.191, subdivisions 2 and 3; 43A.23, subdivision 1; 43A.27, subdivision 4; 43A.316, subdivisions 2, 3, 5, 7, and 8; 43A.37, subdivision 1; 176.421, by adding a subdivision; 176B.02; and 487.13; Minnesota Statutes 1989 Supplement, sections 43A.316, subdivisions 9 and 10; and 214.04, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 43A; repealing Minnesota Statutes 1988, section 43A.081, subdivisions 1, 2, and 5; and Minnesota Statutes 1989 Supplement, section 485.018, subdivision 7."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 2419: A bill for an act relating to human services; clarifying requirements for employment and training programs for recipients of AFDC; allowing county agencies to implement grant diversion programs; clarifying eligibility and payment requirements for general assistance and work readiness; clarifying requirements for child care programs; establishing criteria to certify employment and training service provider; requiring a two-year plan from the local service unit; amending Minnesota Statutes 1988, sections 256.73, subdivision 2; 256.736, subdivisions 1a and 3a; 256.7365, subdivision 2; 256D.01, by adding a subdivision; 256D.02, subdivisions 5, 8, and 12; 256D.052, subdivision 5; 256D.06, subdivision 2; 256H.01, by adding subdivisions; 256H.10, subdivisions 1 and 4; 256H.17; 268.673, subdivisions 3 and 5; 268.6751, subdivision 1; 268.676, subdivision 2; 268.677, subdivisions 2 and 3; 268.678; 268.681, subdivisions 1, 2, and 3; 268.86, subdivision 8; 268.871, subdivisions 1, 2, and by adding a subdivision; 268.90, subdivisions 1, 3, and 4; Minnesota Statutes 1989 Supplement, sections 256.73, subdivision 3a; 256.736, subdivisions 3, 3b, 4, 10, 10a, 11, 14, 16, and 18; 256.737, subdivisions 1 and 2; 256D.01, subdivision 1a; 256D.051, subdivisions 1a, 1b, 2, 3, and 8; 256H.01, subdivisions 7, 8, and 12; 256H.03, subdivisions 2, 2a, and 2b; 256H.05, subdivisions 1b, 1c, 2, and 5; 256H.08; 256H.09, subdivision 1; 256H.10, subdivision 3; 256H.11, subdivision 1; 256H.15, subdivisions 1 and 2; 256H.21, subdivision 9; 256H.22, subdivisions 2, 3, and 10; 268.0111, subdivision 4; 268.86, subdivision 2; 268.88; 268.881; Minnesota Statutes Second 1989 Supplement, section 256D.03, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 256; repealing Minnesota Statutes 1988, sections 256.736, subdivisions 1b, 2a, 8, and 17; 256.7365,

subdivision 8; 256D.06, subdivision 1c; 256H.01, subdivision 14; 256H.16; 268.672, subdivision 12; 268.86, subdivision 9; 268.872, subdivision 3; and Minnesota Statutes 1989 Supplement, section 256H.05, subdivisions 1, 1a, and 3a.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 7 to 9, delete section 5

Page 20, line 17, delete "section" and insert "chapter"

Pages 26 to 29, delete section 12

Page 31, line 36, reinstate the stricken language

Page 32, lines 1 to 3, reinstate the stricken language

Page 32, lines 6 and 7, delete the new language and reinstate the stricken language

Page 32, after line 9, insert:

"Sec. 14. Minnesota Statutes 1989 Supplement, section 256.737, subdivision 1a, is amended to read:

Subd. 1a. [COMMISSIONER'S DUTIES.] The commissioner shall: (a) assist counties in the design and implementation of these programs; (b) promulgate, in accordance with chapter 14, emergency rules necessary for the implementation of this section, except that the time restrictions of section 14.35 shall not apply and the rules may be in effect until June 30, ~~1990~~ 1993, unless superseded by permanent rules; (c) seek any federal waivers necessary for proper implementation of this section in accordance with federal law; and (d) prohibit the use of participants in the programs to do work that was part or all of the duties or responsibilities of an authorized public employee position established as of January 1, 1989. The exclusive bargaining representative shall be notified no less than 14 days in advance of any placement by the community work experience program. Concurrence with respect to job duties of persons placed under the community work experience program shall be obtained from the appropriate exclusive bargaining representative. The appropriate oversight committee shall be given monthly lists of all job placements under a community work experience program."

Page 40, line 36, after the period, insert "*However, the registrant must be sent a notice on or before the date eligibility ends that informs the registrant that work readiness eligibility is terminated for failure to comply with work readiness requirements, sets forth the factual basis for the determination, and advises the registrant of the right to have eligibility reinstated upon a showing that the registrant had good cause for failing to meet the requirements.*"

Page 41, line 25, after the period, insert "*However, the registrant must be sent a notice on or before the date eligibility ends that informs the registrant that work readiness eligibility is terminated for failure to comply with work readiness requirements, sets forth the factual basis for the determination, and advises the registrant of the right to have eligibility reinstated upon a showing that the registrant had good cause for failing to meet the requirements.*"

Pages 46 to 51, delete sections 34 to 43

Pages 54 and 55, delete sections 49 and 50

Page 55, line 21, delete "nd" and insert "and"

Page 73, delete section 77

Page 74, line 11, delete "8,"

Page 74, line 23, delete "17; 31 to 78; and 79" and insert "16; 30 to 64; and 65"

Page 74, line 25, delete "23" and insert "22"

Page 74, line 26, delete "18 to 22; 24 to 30; and 79" and insert "17 to 21; 23 to 29; and 65"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 12, delete "subdivisions" and insert "subdivision" and delete "and 3a"

Page 1, lines 15 and 16, delete "256H.01, by adding subdivisions;"

Page 1, line 24, delete "16,"

Page 1, line 25, after "1" insert ", 1a,"

Page 1, line 27, delete everything after the semicolon

Page 1, delete line 28

Page 1, line 29, delete "256H.08;"

Page 1, lines 30 and 31, delete "256H.15, subdivisions 1 and 2;"

Page 1, line 37, delete "8,"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 1759: A bill for an act relating to controlled substances; allowing prosecution in any county of controlled substance offenses involving sales of amounts aggregated over a 120-day period; providing that cocaine base is weighed as a mixture for purposes of first, second, and third degree controlled substance crimes; prohibiting the importing of controlled substances into the state; requiring the reporting of transactions involving substances that are precursors to controlled substances; providing for administrative forfeiture of dangerous weapons found in proximity to controlled substances; providing for representation by the public defender of persons filing for judicial review of a forfeiture; providing that period for filing for judicial review of a forfeiture begins when an interpreter is provided for persons handicapped in communication; defining controlled substances for purposes of reporting prenatal exposure to controlled substances; requiring adoption of day-fine system by each judicial district; providing for an intensive supervision program; creating pilot programs to require drug and alcohol testing as a condition of probation; creating pilot programs to provide chemical dependency treatment services in juvenile and adult jails and correctional facilities; creating pilot programs to require chemical dependency assessments for drug offenders; prohibiting possession of controlled substances in motor vehicles; appropriating money; amending Minnesota

Statutes 1988, sections 169.122; 241.26, subdivision 2; 244.05, by adding a subdivision; 260.151, subdivision 1; 609.035; 609.10; 609.135, subdivision 1, and by adding a subdivision; 609.5314, subdivisions 2 and 3; 611.14; 611.32; 626.556, subdivision 4; 631.40; Minnesota Statutes 1989 Supplement, sections 152.021; 152.022; 152.023, subdivision 2; 152.028, subdivision 2, and by adding a subdivision; 609.115, subdivision 1; 609.5314, subdivision 1; 626.556, subdivision 2; 626.5561, subdivisions 1, 3, 4, and by adding a subdivision; and 626.5562, subdivisions 1, 2, and 4; proposing coding for new law in Minnesota Statutes, chapters 152; 244; and 299A; repealing Minnesota Statutes 1989 Supplement, section 152.027, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 35, delete lines 14 to 20

Page 35, line 25, delete "\$500,000" and insert "\$83,000"

Page 35, delete lines 29 to 31

Page 35, line 32, delete "\$18,750" and insert "\$19,000"

Page 35, line 35, delete "*pretrial*" and insert "*supervised*" and delete "*defendants and*" and delete the comma

Page 35, line 36, delete "*respectively,*"

Page 36, line 1, delete "\$31,250" and insert "\$31,000"

Page 36, delete lines 6 to 18

Reletter the paragraphs in sequence

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was referred

H.F. No. 1855: A bill for an act relating to family law; modifying dissolution statistical report requirements; regulating child custody and visitation in dissolution and other proceedings; modifying standards for joint legal custody; providing for the award of temporary attorney fees; providing standards for visitation and custody rights when a parent has been convicted of certain crimes; providing funding for legal representation in family law matters; amending Minnesota Statutes 1988, sections 144.224; 257.025; 257.541, subdivision 2; 518.003, subdivision 3, and by adding a subdivision; 518.131, subdivisions 1 and 7; 518.14; 518.156; 518.167, subdivision 2; 518.175, by adding a subdivision; 518.551, subdivision 5; and 518.619; Minnesota Statutes 1989 Supplement, sections 518.17, subdivision 2; 518.175, subdivisions 1 and 5; and 518.64, subdivision 2; proposing coding for new law in chapter 518.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 18, before "In" insert "(a)"

Page 2, line 21, delete "*the*" and insert "*the*"

Page 2, line 22, delete "*child,*" and insert "*child.*"

Page 4, line 3, before the first "The" insert "(b)"

Page 4, line 6, before "*The*" insert "(c)"

Page 4, line 9, before "*The*" insert "(d)"

Page 4, line 11, before the first "A" insert "(e)"

Page 4, line 13, delete "*The provisions of*" and insert "(f)" and delete "*, shall be applicable*" and insert "*applies*"

Page 4, after line 26, insert:

"Sec. 4. Minnesota Statutes 1989 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 \$55, except that in an action for marriage dissolution, the fee is ~~\$75~~ \$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 \$55, except that in an action for marriage dissolution, the fee for the respondent is ~~\$75~~ \$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 sections 106A.005 to 106A.811, 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, \$5.

(5) Issuing a transcript of judgment, or for filing and docketing a transcript of judgment from another court, \$5.

(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, \$1 for each name certified to and \$3 for each judgment 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 trust-eeships, \$10.

(10) 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. 5. Minnesota Statutes 1989 Supplement, section 480.241, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT OF SURCHARGE: COLLECTION BY COURT ADMINISTRATORS.] A plaintiff, petitioner, defendant, respondent, intervenor or moving party in any trial court civil action or civil proceeding in which an initial filing fee is payable by that party, except a marriage dissolution or conciliation court action, shall pay to the court administrator a surcharge of ~~\$25~~ \$30 in addition to the initial filing fee otherwise prescribed. A plaintiff, defendant, or moving party in any conciliation court action in which an initial filing fee is payable shall pay to the court administrator of conciliation court a surcharge of \$3 in addition to the initial filing fee otherwise prescribed. Notwithstanding any other law or rule to the contrary, no surcharge shall be paid by any governmental unit of the state of Minnesota, any local unit of government, or agency thereof."

Page 5, delete lines 18 and 19 and insert "*proceedings involving children who are in need of protection or services, domestic abuse, and paternity.*"

Page 5, line 22, after "4." insert "[MEDIATION.]" and delete "is" and insert "means"

Page 6, line 2, delete "*and reasonable*" and insert "*or*"

Page 7, line 7, delete "*temporary*" and before "*will*" insert "*shows that it*"

Page 7, line 8, after "*effectively*" insert "*in good faith*"

Page 9, lines 18 to 21, delete the new language and insert "*If the court awards joint legal or physical custody over the objection of a party, the court shall make detailed findings on each of the factors in this subdivision and explain how the factors led to its determination that joint custody would be in the best interests of the child.*"

Page 11, line 2, after the period, insert "*The objection must include a certified copy of the conviction.*"

Page 11, line 4, delete "*written*"

Page 11, line 10, delete "*who has been*"

Page 11, line 11, delete everything before "*has*"

Pages 12 to 17, delete sections 15 and 16 and insert:

"Sec. 17. Minnesota Statutes 1988, section 518.18, is amended to read:
518.18 [MODIFICATION OF ORDER.]

(a) Unless agreed to in writing by the parties, no motion to modify a custody order may be made earlier than one year after the date of the entry of a decree of dissolution or legal separation containing a provision dealing with custody, except in accordance with clause (c) *or* (e).

(b) If a motion for modification has been heard, whether or not it was granted, unless agreed to in writing by the parties no subsequent motion may be filed within two years after disposition of the prior motion on its merits, except in accordance with clause (c) *or* (e).

(c) The time limitations prescribed in clauses (a) and (b) shall not prohibit

a motion to modify a custody order if the court finds that there is persistent and willful denial or interference with visitation, or has reason to believe that the child's present environment may endanger the child's physical or emotional health or impair the child's emotional development.

(d) If the court has jurisdiction to determine child custody matters, the court shall not modify a prior custody order unless it finds, upon the basis of facts that have arisen since the prior order or that were unknown to the court at the time of the prior order, that a change has occurred in the circumstances of the child or the custodian and that the modification is necessary to serve the best interests of the child. In applying these standards the court shall retain the custodian established by the prior order unless:

- (i) The custodian agrees to the modification;
- (ii) The child has been integrated into the family of the petitioner with the consent of the custodian; or
- (iii) The child's present environment endangers the child's physical or emotional health or impairs the child's emotional development and the harm likely to be caused by a change of environment is outweighed by the advantage of a change to the child.

(e) If a person who has custody of a child has been convicted of a crime listed in section 518.175, subdivision 8, paragraph (d), the noncustodial parent or other person seeking custody may file a motion for a change of custody with the court. The motion must include a certified copy of the conviction. The noncustodial parent or person seeking custody must give notice of the motion to the person who has custody and that person has 20 days from the notice to respond. If the person fails to respond within 20 days, the court shall grant custody to the noncustodial parent or other person in accordance with section 518.17. If the person with custody responds and objects, a hearing must be held within 30 days of the response. The person with custody has the burden at the hearing to prove that custody by the person is in the best interests of the child. The court shall grant custody to the noncustodial parent or other person in accordance with section 518.17 unless it finds that the current custodial arrangement is in the best interests of the child. If the victim of the crime was a family or household member as defined in section 518B.01, subdivision 2, the standard of proof for maintaining the current custodial arrangement is clear and convincing evidence.

Sec. 18. [518.583] [NOTICE OF TAX EFFECT ON PRINCIPAL RESIDENCE.]

In an action for dissolution involving a principal residence, the court must make express findings of fact that the parties have been advised as to the income tax laws respecting the capital gain tax exclusion available on the sale of a principal residence for those over a certain age under section 121 of the Internal Revenue Code of 1986, or other applicable law. The order must expressly provide for the use of that exclusion unless the court otherwise orders. This section applies only if the court determines at least one of the parties may qualify for the exclusion."

Page 17, line 32, after the second "custody" insert "or visitation"

Page 17, line 34, after "rights" insert a comma

Page 17, line 35, strike "or" and insert a comma

Page 18, lines 4 and 12, delete "which" and insert "that"

Page 19, line 8, after "may" insert "not"

Page 19, line 9, delete "not"

Page 19, line 18, delete "shall" and insert "may"

Pages 19 and 20, delete section 18 and insert:

"Sec. 20. [APPROPRIATION.]

\$890,000 is appropriated from the general fund to the supreme court to be distributed under Minnesota Statutes, section 480.242, to the qualified legal services programs described in section 480.242, subdivision 2, paragraph (a), to improve the access of low-income clients to legal representation in family law matters."

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to family law; regulating child custody and visitation in dissolution and other proceedings; providing for suspension of visitation rights or change of custody when a parent has been convicted of certain crimes; requiring expedited hearings of visitation motions alleging that a child is in danger of harm and providing for supervised or restricted visitation; modifying dissolution statistical reporting requirements; modifying standards for joint legal custody; requiring specific findings supporting joint custody in certain cases; requiring certain findings about taxes; providing for the award of temporary attorney fees; providing for funding of legal representation in family law matters; increasing marriage dissolution filing fees and civil filing fees surcharge; appropriating money; amending Minnesota Statutes 1988, sections 144.224; 257.025; 257.541, subdivision 2; 518.003, subdivision 3, and by adding a subdivision; 518.131, subdivisions 1 and 7; 518.14; 518.156; 518.167, subdivision 2; 518.175, by adding a subdivision; 518.18; 518.619; Minnesota Statutes 1989 Supplement, sections 357.021, subdivision 2; 480.241, subdivision 1; 518.17, subdivision 2; and 518.175, subdivisions 1 and 5; proposing coding for new law in Minnesota Statutes, chapter 518."

And when so amended the bill do pass. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 2075, 824, 2483, 2419 and 1759 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 2081 and 1855 were read the second time.

MOTIONS AND RESOLUTIONS

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Metzen introduced—

S.F. No. 2630: A bill for an act relating to taxation; repealing the lawful gambling combined receipts tax; providing for refunds; appropriating money; repealing Minnesota Statutes Second 1989 Supplement, section 349.212, subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

Mr. Merriam, for the Committee on Finance, introduced—

S.F. No. 2631: A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative expenses of state government; providing for the transfer of certain money in the state treasury; fixing and limiting the amount of fees, penalties, and other costs to be collected in certain cases; reducing appropriations for the biennium ending June 30, 1991, with certain conditions; imposing various cost-saving measures; creating, modifying, transferring, and abolishing agencies and functions; providing for the transfer of money in the state treasury; appropriating money with certain conditions; amending Minnesota Statutes 1988, sections 2.722, subdivision 4; 3.736, subdivision 7; 116D.045, subdivision 3; 178.03, by adding a subdivision; and 197.75, subdivision 2; Minnesota Statutes 1989 Supplement, section 105.41, subdivision 5a; proposing coding for new law as Minnesota Statutes, chapter 116Q; repealing Minnesota Statutes 1988, sections 16A.123, as amended; 116L.01; 116L.03, subdivisions 1, 3, 4, 5, and 6; 116L.04, subdivision 2; and 116L.05; Minnesota Statutes 1989 Supplement, sections 116L.02; 116L.03, subdivisions 2 and 7; and 116L.04, subdivision 1.

Mr. Moe, R.D. moved that S.F. No. 2631 be laid on the table. The motion prevailed.

Mr. Merriam, for the Committee on Finance, introduced—

S.F. No. 2632: 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; proposing an amendment to the Minnesota Constitution, article XI, section 14; providing for the relocation of certain state agencies; appropriating money; amending Minnesota Statutes 1988, sections 16A.641, subdivision 6; 16A.672, by adding a subdivision; 116Q.12; 116P.04, subdivision 3; 136C.05, subdivision 5; and 349A.10, subdivision 5; Minnesota Statutes 1989 Supplement, sections 16A.631; 16A.641, subdivision 7; 16A.69, subdivision 1; and 16B.335, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 16A; 174; and 462A; repealing Minnesota Statutes 1988, sections 16A.651; 16A.661, subdivision 6; and 116P.04, subdivision 2.

Mr. Moe, R.D. moved that S.F. No. 2632 be laid on the table. The motion prevailed.

RECONSIDERATION

Mr. Langseth moved that the vote whereby S.F. No. 1871 was passed by the Senate on April 3, 1990, be now reconsidered. The motion prevailed.

S.F. No. 1871: A bill for an act relating to the city of Detroit Lakes; authorizing the establishment of a detached banking facility under certain conditions.

Mr. Langseth moved that S.F. No. 1871 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Morse moved that S.F. No. 1848 be taken from the table. The motion prevailed.

S.F. No. 1848: A bill for an act relating to housing; making changes in the home equity conversion loan program, authorizing manufactured home park loan assistance, requiring limits, and regulating securities relating to certain home loans; amending Minnesota Statutes 1988, sections 462A.05, by adding a subdivision; 462A.21, subdivision 9; 475.66, subdivision 3; Minnesota Statutes 1989 Supplement, sections 462A.05, subdivision 34; 462A.057, subdivision 7; 462A.21, subdivisions 8b and 8c; and Laws 1989, chapter 335, article 1, section 27, subdivision 1.

CONCURRENCE AND REPASSAGE

Mr. Morse moved that the Senate concur in the amendments by the House to S.F. No. 1848 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1848 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kroening	Metzen	Renneke
Anderson	Diessner	Laidig	Moe, D.M.	Schmitz
Beckman	Flynn	Langseth	Moe, R.D.	Solon
Benson	Frank	Lantry	Morse	Spear
Berg	Frederick	Larson	Olson	Storm
Berglin	Frederickson, D.J.	Lessard	Pehler	Stumpf
Bernhagen	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Bertram	Freeman	Marty	Picpho	Waldorf
Brandl	Gustafson	McGowan	Piper	
Cohen	Hughes	McQuaid	Purförst	
Davis	Johnson, D.E.	Mehrkens	Ramstad	
Decker	Knutson	Merriam	Reichgott	

So the bill, as amended, was repassed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Morse moved that S.F. No. 1844, No. 12 on General Orders, be stricken and returned to its author. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Waldof moved that the following members be excused for a Conference Committee on S.F. No. 2618 at 1:30 p.m.:

Messrs. Dicklich; Hughes; Johnson, D.E.; Waldorf and Mrs. Brataas. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Johnson, D.J. moved that the following members be excused for a Conference Committee on H.F. No. 2478 at 1:30 p.m.:

Messrs. Pogemiller, Novak, Stumpf, Belanger and Johnson, D.J. The motion prevailed.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2704 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2704: A bill for an act relating to commerce; removing a real estate licensing prohibition; amending Minnesota Statutes 1988, section 82.20, subdivision 4.

Mr. Knaak moved to amend H.F. No. 2704 as follows:

Page 2, after line 23, insert:

"Sec. 2. Minnesota Statutes 1988, section 507.45, subdivision 4, is amended to read:

Subd. 4. No financial institution or other person making a mortgage loan may require a borrower *and no real estate broker may require a buyer or seller* to use any particular licensed attorney, real estate broker, real estate salesperson, or real estate closing agent in connection with a residential real estate closing."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "placing restrictions on residential real estate closings;" and delete "section" and insert "sections"

Page 1, line 4, before the period, insert "; and 507.45, subdivision 4"

The motion prevailed. So the amendment was adopted.

Mr. Freeman moved to amend H.F. No. 2704 as follows:

Page 1, after line 5, insert:

"Section 1. [57.01] [SHORT TITLE.]

This chapter may be cited as the "home buyers' bill of rights."

Sec. 2. [57.02] [SCOPE.]

Subdivision 1. [RESIDENTIAL MORTGAGE LOANS.] Except as provided in subdivision 2, this chapter applies to any entity that engages in the business of making, brokering, or servicing mortgage loans.

Subd. 2. [EXEMPTION.] This chapter does not apply to:

(1) persons making or negotiating five or fewer mortgage loans in a

period of 12 consecutive months;

(2) charitable or nonprofit corporations making mortgage loans to promote home ownership or improvements for the disadvantaged;

(3) agencies of the federal government, or a state government, or a quasi-governmental agency making mortgage loans under the specific authority of the laws of a state or the United States;

(4) persons acting as fiduciaries with respect to an employee pension benefit plan qualified under the Internal Revenue Code who make mortgage loans solely to plan participants from plan assets;

(5) persons licensed by the state of Minnesota as real estate brokers or salespersons who, in the course of representing a purchaser or seller of real estate, incidentally assist the purchaser or seller in obtaining financing for the real property in question if the licensee does not receive a separate commission, fee, or other valuable consideration including a referral fee for this service;

(6) an attorney authorized to practice law in this state, who incidentally acts as a mortgage broker in negotiating or placing a first mortgage loan in the normal course of legal practice if the attorney does not receive a separate commission, fee, or other valuable consideration including a referral fee for the service; or

(7) persons acting in a fiduciary capacity conferred by authority of a court.

Sec. 3. [57.03] [DEFINITIONS.]

Subdivision 1. [TERMS.] For purposes of this chapter, the terms in this section have the meanings given them unless the context requires a different meaning.

Subd. 2. [ADVERTISEMENT.] "Advertisement" means an oral, written, graphic, or pictorial statement made in the course of solicitation of business. Advertisement includes, without limitation, a statement or representation made in a newspaper, magazine, or other publication, or contained in a notice, sign, billboard, poster, display, circular, pamphlet, or letter, or on radio or television.

Subd. 3. [AGRICULTURAL PROPERTY.] "Agricultural property" has the meaning given the term in section 583.22.

Subd. 4. [BORROWER.] "Borrower" means a natural person who has submitted an application for a loan to a mortgage lender or has obtained a mortgage loan.

Subd. 5. [BUSINESS.] "Business" means a commercial or industrial enterprise that is carried on for the purpose of active or passive investment or profit.

Subd. 6. [COMMISSIONER.] "Commissioner" means the commissioner of commerce.

Subd. 7. [ENTITY.] "Entity" means an individual acting as a sole proprietorship, corporation, partnership, association, trust, or any other commercial organization or group of individuals, however organized.

Subd. 8. [EQUAL CREDIT OPPORTUNITY ACT.] "Equal Credit Opportunity Act" means United States Code, title 15, sections 1691 to

1691f, and any regulations adopted under those sections.

Subd. 9. [ESCROW ACCOUNT.] "Escrow account" means an escrow, agency, or similar account for the payment of taxes or insurance premiums with respect to a mortgaged one- to four-family, owner-occupied residence located in this state.

Subd. 10. [GENERAL MORTGAGE BROKER.] "General mortgage broker" means an entity other than a mortgage lender who for a fee directly or indirectly offers to find or finds mortgage loans for another.

Subd. 11. [INDIVIDUAL MORTGAGE BROKER.] "Individual mortgage broker" means one who acts on behalf of a general mortgage loan broker with respect to offering to find or finding mortgage loans for another.

Subd. 12. [LOAN OFFICER.] "Loan officer" means a person who acts on behalf of a mortgage lender with respect to soliciting or negotiating a mortgage loan with a borrower. The term includes both an officer or employee of a mortgage lender who is authorized to solicit or negotiate loans and who regularly solicits or negotiates loans, and a person who is responsible for the day-to-day management of a branch office or offices of a mortgage lender.

Subd. 13. [MORTGAGE LENDER.] "Mortgage lender" means an entity making or servicing a mortgage loan.

Subd. 14. [MORTGAGE LOAN OR LOAN.] "Mortgage loan" or "loan" means a loan or advance of credit to an individual secured by a mortgage or other encumbrance upon real property of less than ten acres located in the state and containing one to four residential units or upon which at the time the loan is made it is intended that one to four residential units are to be constructed. The term does not include:

(1) a loan or advance of credit that is made primarily for a business or commercial purpose;

(2) a loan for which less than 50 percent of the proceeds are intended to be used to acquire legal title to the property or used to refinance the balance due on a contract for deed; or

(3) a loan or extension of credit made by the seller of real property for the purchase of the property or the refinancing of a contract for deed on the property.

Subd. 15. [MORTGAGE LOAN SERVICER.] "Mortgage loan servicer" means an entity that is servicing a mortgage loan.

Subd. 16. [REAL ESTATE SETTLEMENT PROCEDURES ACT.] "Real Estate Settlement Procedures Act" means United States Code, title 12, sections 2601 to 2617, and any regulations adopted under those sections.

Subd. 17. [REFERRAL FEE.] "Referral fee" means the types of payments under the Real Estate Settlement Procedures Act.

Subd. 18. [SERVICING.] "Servicing" means the collection for any mortgage lender, noteowner, noteholder, or for the mortgage lender's own account, of payments, interest, principal, and escrow items such as hazard insurance and taxes on a residential mortgage loan in accordance with the terms of the residential mortgage loan. Servicing includes loan payment follow-up, delinquency loan follow-up, loan analysis, any notifications to the borrower that are necessary to enable the borrower to keep the loan current

and in good standing, and the administration of escrow accounts for payment of items such as hazard insurance premiums and taxes on a residential mortgage loan.

Subd. 19. [SETTLEMENT SERVICES.] "Settlement services" includes any service provided in connection with a real estate settlement including, but not limited to, title searches, title examinations, the provision of title certificates, title insurance, services rendered by an attorney, the preparation of documents, property surveys, the rendering of credit reports or appraisals, pest and fungus inspections, services rendered by a real estate agent or broker, and the handling of the processing, and closing or settlement.

Subd. 20. [TRUTH-IN-LENDING ACT.] "Truth-in-Lending Act" means United States Code, title 15, sections 1601 to 1666j, and any regulations adopted under those sections.

Sec. 4. [57.04] [LICENSE REQUIREMENT; APPLICATION.]

Subdivision 1. [GENERALLY.] A person may not engage in business as a mortgage lender, loan officer, general mortgage broker, or individual mortgage broker unless that person has first obtained a license under this chapter or is exempt from the licensing requirements of this chapter.

Subd. 2. [EXEMPTIONS.] The following persons are exempt from the licensing requirements of this section:

(1) a person whose primary responsibility is to process loan applications, unless the person is authorized to solicit or negotiate loans;

(2) banks, savings banks, savings associations, and credit unions organized under the laws of this state, and banks, savings banks, savings associations, and credit unions organized under the laws of the United States that have offices in this state from which deposits are accepted under the laws of this state or the United States, and their employees; provided, however, that subsidiaries and service corporations of these institutions are not exempt from the requirements of this chapter;

(3) regulated lenders licensed under chapter 56, and industrial loan and thrift companies licensed under chapter 53;

(4) insurance companies licensed to do business in this state; and

(5) persons licensed by the state of Minnesota as real estate brokers or salespersons;

(6) employees of a mortgage lender who only solicit refinance loans, through the mail or by use of the telephone, from mortgagors whose loans the mortgage lender is servicing at the time of the solicitation, if the persons making the solicitations are not residents of this state, and if the solicitations originate from outside this state; and

(7) a person who only negotiates assumptions, workouts, or conversions of existing loans.

Subd. 3. [MORTGAGE LENDERS.] A mortgage lender or loan officer licensed under this section who brokers mortgage loans is not required to obtain a license as a mortgage broker.

Subd. 4. [FORM.] An application for a license under this section must be made in writing, and on a form approved by the commissioner.

Subd. 5. [CONTENTS.] The application for a mortgage lender or general mortgage broker must set forth:

- (1) the name and address of the applicant;*
- (2) if the applicant is a firm or partnership, the name and address of each member of the firm or partnership;*
- (3) if the applicant is a Minnesota corporation, the name and address of its officers and directors;*
- (4) if the applicant is a foreign corporation, a copy of its certificate of authority to transact business in this state and the name and address of its registered agent and each officer and director;*
- (5) the addresses of all offices in this state where business will be conducted by the applicant; and*
- (6) other information concerning the financial responsibility, background, experience, and activities of the applicant and its officers, directors, employees, and principal stockholders as the commissioner requires.*

Subd. 6. [FINANCIAL RESPONSIBILITY FOR MORTGAGE LENDERS.] (a) An applicant for a mortgage lender license shall:

- (1) demonstrate evidence of approval or certification by the United States Secretary of Housing and Urban Development, including as a loan correspondent mortgagee, or approval or certification of the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association;*
- (2) certify to the commissioner a bond; or*
- (3) provide evidence of, and continuously maintain, a line of credit for the funding of mortgage loans.*

(b) If the applicant for a mortgage lender license provides a bond, it must be in the amount of \$100,000, issued by an insurer authorized to transact business in this state and covered by the Minnesota insurance guaranty association, with the state as obligee, conditioned for the prompt payment to a person entitled to it, other than an officer, partner, or employee of the licensee, from loss resulting from fraud, dishonesty, forgery, or theft in connection with a residential mortgage loan transaction by the licensee or an officer, agent, or employee. The aggregate liability of the surety to all persons for all losses is limited to the amount of the bond. The bond must remain operative for the term of the license.

(c) If the applicant for a mortgage lender license provides a line of credit, it must be for at least \$250,000 with a lending institution whose deposits are insured by the Federal Savings and Loan Insurance Corporation or the Federal Deposit Insurance Corporation, or with a person who is otherwise acceptable to the commissioner.

The requirement of a line of credit may be waived by the commissioner if all loans originated by the applicant are either closed in the name of a licensed lender or other financial institution or entity approved by the commissioner under an agreement between the mortgage lender or other financial institution and the applicant, or assigned, under an agreement, to a licensed mortgage lender or other financial institution or entity approved by the commissioner, simultaneously with the closing.

The applicant shall provide the commissioner with a copy of the agreement, which must state the circumstances under which the mortgage lender

or financial institution will be obligated to fund closings or purchase loans from the applicant. The licensee shall notify the commissioner of any modifications to the agreement.

(d) If there is any material change in any of the financial conditions upon which a license was granted under this section, the mortgage lender must notify the commissioner of that change within five business days of the change.

Subd. 7. [EXPERIENCE.] An entity applying for a mortgage lender's license must have at least one partner or employee, in a position to supervise the work of the entity, who must have at least two years of mortgage origination experience within the previous four years. The experience requirement may be waived if the applicant is, in the opinion of the commissioner, otherwise qualified by reason of education or practical experience.

Subd. 8. [APPLICATIONS FOR LOAN OFFICER OR INDIVIDUAL MORTGAGE BROKER LICENSE.] The application for a loan officer or individual mortgage broker license must set forth the name and address of the applicant and other information concerning the financial responsibility, background, experience, and activities of the applicant as the commissioner requires.

Subd. 9. [FEES.] (a) An application must be accompanied by the following fees:

(1) for a mortgage lender with less than five employees, the license fee is \$250;

(2) for a mortgage lender with five or more employees, the license fee is \$750;

(3) for a general mortgage broker, the license fee is \$250; and

(4) \$125 for each loan officer or individual mortgage broker.

(b) Fees collected under this subdivision must be deposited in the state treasury and credited to the general fund.

All fees are nonreturnable, except that an overpayment of a fee must be refunded upon proper application to the commissioner.

Subd. 10. [DENIAL OF LICENSE.] The commissioner may deny a license under this section if the applicant:

(1) fails to meet the criteria described under subdivisions 6 and 7;

(2) had an entry of a federal or state administrative order against the mortgage lender or mortgage broker for violation of any law or regulation applicable to the conduct of the licensed business; or

(3) had an entry of a judgment against the mortgage lender or mortgage broker involving fraud, misrepresentation, or deceit.

Subd. 11. [ANNUAL REPORT.] The commissioner may require a licensee to file an annual report with the commissioner that sets forth the information and is in the form the commissioner requires regarding the business conducted by the licensee during the preceding calendar year.

Sec. 5. [57.05] [RETENTION OF BOOKS, ACCOUNTS, AND RECORDS.]

Subdivision 1. [RECORDS MAINTAINED.] Each mortgage lender and

mortgage broker shall maintain in the licensee's offices any books, accounts, and records the commissioner reasonably requires in order to determine whether the licensee is in compliance with this chapter and the rules adopted under it. The books, accounts, and records must be maintained separately from any other business of the mortgage lender or mortgage broker.

Subd. 2. [RECORDS RETAINED.] A mortgage lender shall retain for at least two years after settlement of a mortgage loan, copies of the note, settlement statement, truth-in-lending disclosure, and other papers or records relating to the loan as may be required by rule. A mortgage broker must retain for at least two years after a mortgage loan is made the original contract for the individual mortgage broker's compensation, a copy of the settlement statement, and an account of fees received in connection with the loan, and other papers or records as may be required by rule.

Subd. 3. [OUT-OF-STATE LICENSEE.] A mortgage lender or mortgage broker may maintain the records required under this section in offices outside of this state if the licensee agrees to pay in advance for the cost of examination of those records by the commissioner.

Sec. 6. [57.06] [PROHIBITED PRACTICES; GENERAL.]

A mortgage lender or mortgage broker may not violate any provision of the Equal Credit Opportunity Act, Real Estate Settlement Procedures Act, or the Truth-in-Lending Act in the making or brokering of mortgage loans.

Sec. 7. [57.07] [ADVERTISING PRACTICES.]

Subdivision 1. [PROHIBITION.] Advertisements by mortgage lenders or mortgage brokers may not:

- (1) state or imply that the advertised loan interest rates, points, terms, charges, or the contracts or services of the mortgage lender or mortgage broker are approved, recommended, or established by the state; or*
- (2) contain any statement that is false, misleading, or deceptive.*

Subd. 2. [MORTGAGE BROKERS.] Advertisements by a mortgage broker must disclose that the mortgage broker does not make loans and that loan money, if available, is provided by other entities to qualified borrowers.

Sec. 8. [57.08] [LOAN APPLICATION PRACTICES.]

Subdivision 1. [BORROWER INFORMATION DOCUMENT.] At the time of the loan application but before the borrower signs the application or pays any consideration to a mortgage lender, the mortgage lender must provide the borrower with a "borrower information document" which must contain, in plain language, the following:

- (1) the statement: "This document is being provided to you as required under Minnesota law. Its purpose is to tell you about the documents you should be receiving in connection with your mortgage loan application.";*
- (2) an itemized list of all fees the borrower will be required to pay at the time of application, and a statement of those fees which will or will not be refunded if the application is withdrawn or denied;*
- (3) a copy of the blank application;*
- (4) a description of the types of documents the borrower is usually*

requested to provide in order for the mortgage lender to provide the loan:

(5) a general description of the underwriting and other eligibility standards customarily used in determining whether a loan will be provided;

(6) a statement that the borrower may request the mortgage lender to provide the borrower:

(i) a copy of a sample blank mortgage note and mortgage contract of the type of mortgage applied for;

(ii) a copy of a sample commitment letter, if offered by the mortgage lender; and

(iii) a sample interest rate or discount point agreement, if offered by the mortgage lender; and

(7) a statement that the mortgage lender may not require the borrower to contract with any specific person for any settlement services, although the lender may require that a person providing settlement services be acceptable to the lender.

Subd. 2. [COPIES; SIGNED DOCUMENTS.] A copy of each document signed by the borrower must be provided to the borrower at the time of signing of the document, except for releases for credit information and verifications of employment, bank accounts, and current mortgage history.

Subd. 3. [CLOSING COSTS.] The mortgage lender must inform the borrower in a separate written document that the borrower may inspect the completed uniform settlement statement containing the information required under section 9, subdivision 4, one day prior to the settlement of the loan, excluding Saturdays, Sundays, and legal holidays.

Subd. 4. [CHANGING TERMS; PROHIBITED.] A mortgage lender may not obtain any agreement or instrument in which blanks are left to be filled in after execution by the parties, except for verifications of employment, bank accounts, and other credit verifications, or fill in or change the loan amount, interest rate, number of discount points, or other terms contained in an interest rate or discount point agreement after the interest rate or discount point agreement is executed by the parties.

Subd. 5. [SECURITY INTEREST; PERSONAL PROPERTY.] A mortgage lender may not accept in connection with a mortgage loan a security interest in the borrower's personal property as described under the Code of Federal Regulations, title 16, section 444.2(4).

Subd. 6. [REFERRAL FEES.] (a) A mortgage lender may not pay or accept a referral fee in connection with making or processing a mortgage loan to the extent prohibited under the Real Estate Settlement Procedures Act.

(b) Any payments permitted under the Real Estate Settlement Procedures Act for services performed may not be paid to or accepted by a real estate broker or real estate salesperson unless written disclosure is made to and acknowledged by the borrower before the services are to be performed.

Subd. 7. [SETTLEMENT SERVICES.] A mortgage lender may not require a borrower to contract with any specific person for real estate settlement services other than credit reports, although the lender may require that a person providing settlement services be acceptable to the lender.

Subd. 8. [INSURANCE.] (a) A mortgage lender may not require a

borrower to purchase insurance from a designated company, agent, or agency. This does not prohibit a lender from requiring that insurance coverage be provided by companies with a certificate of authority to do business in the state of Minnesota or that meet financial criteria under section 72A.31, subdivision 1.

(b) A mortgage lender may not require a borrower to obtain a policy of insurance covering the property in an amount exceeding the amount of the mortgage.

Subd. 9. [COPIES OF REPORTS.] A mortgage lender must make available to the borrower, or send or transmit to another person as directed by the borrower, within two business days of a request, a copy of an appraisal report for which the borrower has paid, or other documents necessary to process the loan that the mortgage lender possesses, excluding verifications of employment and other financial information and the mortgage lender's working papers. If a credit report is requested by the borrower, the lender must disclose the name, address, and telephone number of the entity who prepared the credit report and that the borrower has the right to receive a copy from the entity. If a lender does not possess a document or report that has been requested, the lender must inform the borrower where the document may be obtained.

Sec. 9. [57.09] [CLOSING PRACTICES.]

Subdivision 1. [ACCEPTANCE OF MORTGAGE LENDER FEES NOT DISCLOSED; PROHIBITED.] (a) A mortgage lender may not charge a lender-imposed fee, and a borrower may not be required to pay a lender-imposed fee at settlement if the fee was not previously disclosed on the settlement statement as required under subdivision 4.

(b) The requirement of this subdivision may be specifically waived by the borrower in writing at the time of the settlement, only if the lender demonstrates that, acting in good faith and due to circumstances beyond its control, compliance with this subdivision is not feasible.

Subd. 2. [DISBURSAL OF FUNDS.] A mortgage lender must promptly upon closing disburse, or hold in an escrow account, all funds in accordance with the agreement, taking into account any applicable right of rescission.

Subd. 3. [CONFESSION OF JUDGMENT.] A mortgage lender may not take a confession of judgment or a power of attorney to confess judgment or appear for the borrower in any judicial proceeding.

Subd. 4. [SETTLEMENT STATEMENT.] (a) The mortgage lender and the real estate closing agent must make available to the borrower at least one day prior to settlement, excluding Saturdays, Sundays, and legal holidays, the uniform settlement statement containing the information required under the Real Estate Settlement Procedures Act including a final listing of all items and fees to be charged at settlement.

(b) The mortgage lender must notify the borrower, five business days prior to settlement or when the loan is approved, of the borrower's right to inspect the completed uniform settlement statement under this subdivision. The notice must state that the lender may not charge a fee not disclosed to the borrower 24 hours prior to the settlement, excluding Saturdays, Sundays, and legal holidays, unless specifically waived by the borrower at settlement. The notice must also inform the borrower of the

name, address, and telephone number of the entity closing the loan and the individual who should be contacted if the borrower desires to inspect the completed settlement statement.

Sec. 10. [57.10] [REFUNDS.]

Subdivision 1. [THIRD-PARTY SERVICES.] If a mortgage loan fails to close, the mortgage lender shall refund to the borrower the unused or unearned portion of any fees paid by the borrower to the mortgage lender for third-party services including, but not limited to, credit reports and appraisal fees.

Subd. 2. [LOCK-IN FEES.] If a borrower fails to qualify for the mortgage loan, the mortgage lender must refund any fee, including any discount points, paid by the borrower to the mortgage lender for entering into an interest rate or discount point agreement as defined under section 47.206. This subdivision does not apply to fees negotiated between the borrower and the lender for a period of price protection in excess of 90 days.

Sec. 11. [57.11] [LOAN SERVICING PRACTICES.]

Subdivision 1. [PROMPT CREDITING OF PAYMENTS.] In servicing a mortgage loan, a mortgage lender or mortgage loan servicer shall process and properly credit any regularly scheduled payment from the borrower to the borrower's mortgage loan account no later than one business day after receipt by the lender or servicer of the payment.

Subd. 2. [LATE PAYMENTS.] A mortgage lender or loan servicer shall not impose or collect any fee for late payments of principal, interest, or other sums due under a note, unless the late fee is authorized by the note and payment is not actually received by the lender by the due date stated in the mortgage instrument.

Subd. 3. [COMMUNICATIONS WITH BORROWER.] In servicing a mortgage loan, a mortgage lender or mortgage loan servicer shall make a good faith effort to respond within ten business days to oral or written communications from a borrower about the borrower's loan that reasonably indicate to the mortgage lender or loan servicer that a response is requested or needed.

Subd. 4. [TOLL-FREE NUMBER.] In servicing a mortgage loan, a mortgage lender or mortgage loan servicer shall establish a toll-free telephone number or provide an alternative toll-free telephone arrangement for receiving telephone calls from a Minnesota resident borrower calling from Minnesota to the mortgage lender or mortgage loan servicer, if the mortgage lender's or mortgage loan servicer's office is located in an area code different from the borrower's Minnesota residence.

Subd. 5. [PAYOFF REQUESTS.] A mortgage lender or mortgage servicer shall, within five business days of receipt of a written request from the borrower, provide a payoff amount for the principal and interest owed as of a specific date.

Sec. 12. [57.12] [ESCROW ANALYSIS.]

A mortgage lender or mortgage loan servicer administering an escrow account shall:

(1) perform an annual analysis of the escrow account except for the first analysis relating to loans for new construction, which may be made up to 18 months after settlement; and

(2) provide the borrower a statement of the annual escrow account listing the date and amount of each payment to and from the account and the balance of the account.

Sec. 13. [57.13] [MORTGAGE BROKERS.]

Subdivision 1. [WRITTEN AGREEMENT REQUIRED.] A mortgage broker may not receive compensation from a person for acting as a mortgage broker without first entering into a written contract with the person. The written contract must:

- (1) be in plain language;*
- (2) identify the trust account into which the fees or consideration will be deposited;*
- (3) state the circumstances under which the mortgage broker will be entitled to disbursement from the trust account;*
- (4) state the circumstances under which a person will be entitled to a refund of all or part of the fee;*
- (5) specifically describe the services to be provided by the mortgage broker and the dates by which the services will be performed;*
- (6) state the maximum rate of interest to be charged on any loan obtained;*
- (7) state that the state of Minnesota does not recommend or approve mortgage broker contracts, fees, or charges;*
- (8) disclose the length of time the entity has been engaged in business as a mortgage broker;*
- (9) disclose with respect to the previous calendar year the percentage of the mortgage broker's customers for whom loans have actually been funded as a result of the mortgage broker's services; and*
- (10) disclose the cancellation rights and procedures set forth in subdivision 6.*

Subd. 2. [TRUST ACCOUNT.] A mortgage broker must maintain a trust account in a depository financial institution located within Minnesota for deposit of fees collected and must deposit into that trust account within 48 hours of receipt all fees received before a loan is funded.

Subd. 3. [COMPENSATION BEFORE COMMITMENT.] A mortgage broker may not receive compensation from a person until a written commitment to make a mortgage loan is given to the person by a mortgage lender, except for documented out-of-pocket expenses paid to third parties and necessary to obtain a loan commitment.

Subd. 4. [COMPENSATION OUTSIDE AGREEMENT.] A mortgage broker may not receive compensation from a person relating to a mortgage loan, other than that specified in the written agreement signed by the person.

Subd. 5. [PROHIBITED PRACTICE.] A mortgage broker may not receive compensation from a person in connection with a mortgage loan transaction in which the mortgage broker is the mortgage lender, or a principal stockholder, partner, trustee, director, or officer of the mortgage lender.

Subd. 6. [CANCELLATION OF MORTGAGE BROKER CONTRACTS.] A customer of a mortgage broker who pays a fee before the loan is funded

has an unconditioned right to rescind the contract for mortgage brokerage services at any time until midnight of the third business day after the day the contract is signed. Cancellation is evidenced by the customer giving written notice of cancellation to the mortgage broker at the address stated in the contract. Notice of cancellation, if given by mail, is effective upon deposit in a mailbox properly addressed to the mortgage broker with postage prepaid. Notice of cancellation need not take a particular form and is sufficient if it indicates by any form of written expression the intention of the customer not to be bound by the contract.

Sec. 14. [57.14] [WAIVER PROHIBITED.]

Any waiver, modification, or attempt to waive or modify any of the borrower's rights secured by this chapter is void as contrary to public policy.

Sec. 15. [57.15] [MISREPRESENTATION.]

A mortgage lender or mortgage broker may not:

(1) engage in any act or practice constituting consumer fraud, false promise, misrepresentation, misleading statement, or deceptive practice, as prohibited under sections 325D.44 and 325F.69, subdivision 1; or

(2) fail to state a material fact if the failure has the effect of misrepresenting the terms or conditions of a mortgage loan.

Sec. 16. [57.16] [ENFORCEMENT.]

For the purposes of the commissioner's authority to enforce this chapter, an act of an officer, employee, director, partner, or principal stockholder, if performed in connection with the operation of the lender's or broker's business, is considered an act of the mortgage lender or mortgage broker.

Sec. 17. [57.17] [PRIVATE REMEDY.]

A cause of action for violation of sections 2 to 18 does not arise unless the person has made a written demand to the mortgage lender or mortgage broker for damages and the lender or broker has not responded to the demand within ten days after the demand or has denied paying the full amount of damages demanded, and the person can show that actual damages have been sustained as a direct result of the violation. If actual damages have been sustained, the mortgage lender or mortgage broker is liable to the person for actual damages, plus reasonable attorney fees. A mortgage lender or mortgage broker is not liable under this section for a disclosure made in a form approved by the commissioner under section 19, or for a violation that the lender shows by a preponderance of the evidence was not intentional and resulted from a bona fide error under United States Code, title 15, section 1640.

Sec. 18. [57.18] [RULES.]

The commissioner may adopt rules to administer this chapter.

Sec. 19. [57.19] [APPROVAL OF FORMS.]

A mortgage lender or mortgage broker may request the commissioner to approve a disclosure governed by this chapter. A request for approval of a disclosure must be accompanied by a fee of \$100, or a fee of \$50 for an amendment to a disclosure that had been previously approved. The fee must be deposited in the state treasury and credited to the general fund. The commissioner must approve or disapprove the disclosure within 60

days after receipt.

Sec. 20. Minnesota Statutes 1988, section 82.17, subdivision 4, is amended to read:

Subd. 4. "Real estate broker" or "broker" means any person who:

(a) for another and for commission, fee or other valuable consideration or with the intention or expectation of receiving the same directly or indirectly lists, sells, exchanges, buys or rents, manages, or offers or attempts to negotiate a sale, option, exchange, purchase or rental of an interest or estate in real estate, or advertises or holds out as engaged in these activities;

~~(b) for another and for commission, fee or other valuable consideration or with the intention or expectation of receiving the same directly or indirectly negotiates or offers or attempts to negotiate a loan, secured or to be secured by a mortgage or other encumbrance on real estate;~~

~~(c)~~ (e) for another and for commission, fee or other valuable consideration or with the intention or expectation of receiving the same directly or indirectly lists, sells, exchanges, buys, rents, manages, offers or attempts to negotiate a sale, option, exchange, purchase or rental of any business opportunity or business, or its good will, inventory, or fixtures, or any interest therein;

~~(d)~~ (c) for another and for commission, fee or other valuable consideration or with the intention or expectation of receiving the same directly or indirectly offers, sells or attempts to negotiate the sale of property that is subject to the registration requirements of chapter 83, concerning subdivided land;

~~(e)~~ (d) engages in the business of charging an advance fee or contracting for collection of a fee in connection with any contract whereby the person undertakes to promote the sale of real estate through its listing in a publication issued primarily for this purpose;

~~(f)~~ (e) engages wholly or in part in the business of selling real estate to the extent that a pattern of real estate sales is established, whether or not the real estate is owned by the person. A person shall be presumed to be engaged in the business of selling real estate if the person engages as principal in five or more transactions during any 12-month period, unless the person is represented by a licensed real estate broker or salesperson;

~~(g) offers or makes more than five loans secured by real estate during any 12-month period and who is not a bank, savings bank, mutual savings bank, building and loan association, or savings and loan association organized under the laws of this state or the United States, trust company, trust company acting as a fiduciary, or other financial institution subject to the supervision of the commissioner of commerce, or mortgagee or lender approved or certified by the secretary of housing and urban development or approved or certified by the administrator of veterans affairs, or approved or certified by the administrator of the Farmers Home Administration, or approved or certified by the Federal Home Loan Mortgage Corporation, or approved or certified by the Federal National Mortgage Association.~~

Sec. 21. Minnesota Statutes 1989 Supplement, section 82.18, is amended to read:

82.18 [EXCEPTIONS.]

Unless a person is licensed or otherwise required to be licensed under this chapter, the term real estate broker does not include:

(a) a licensed practicing attorney if the attorney complies in all respects with the trust account provisions of this chapter;

(b) a receiver, trustee, administrator, guardian, executor, or other person appointed by or acting under the judgment or order of any court;

(c) any person owning and operating a cemetery and selling lots therein solely for use as burial plots;

(d) any custodian, janitor, or employee of the owner or manager of a residential building who leases residential units in the building;

(e) any bank, trust company, savings and loan association, industrial loan and thrift company, regulated lender under chapter 56, public utility, or land mortgage or farm loan association organized under the laws of this state or the United States, when engaged in the transaction of business within the scope of its corporate powers as provided by law;

(f) public officers while performing their official duties;

(g) employees of persons enumerated in clauses (b), (e), and (f), when engaged in the specific performance of their duties;

(h) any person who acts as an auctioneer bonded in conformity with section 330.02, when that person is engaged in the specific performance of duties as an auctioneer, and when that person has been employed to auction real estate by a person licensed under this chapter or when the auctioneer has engaged a licensed attorney to supervise the real estate transaction;

(i) any person who acquires real estate for the purpose of engaging in and does engage in, or who is engaged in the business of constructing residential, commercial or industrial buildings for the purpose of resale if no more than 25 such transactions occur in any 12-month period and the person complies with section 82.24;

(j) any person who offers to sell or sells an interest or estate in real estate which is a security registered pursuant to chapter 80A, when acting solely as an incident to the sale of these securities;

(k) any person who offers to sell or sells a business opportunity which is a franchise registered pursuant to chapter 80C, when acting solely to sell the franchise;

(l) any person who contracts with or solicits on behalf of a provider a contract with a resident or prospective resident to provide continuing care in a facility, pursuant to the Continuing Care Facility Disclosure and Rehabilitation Act (chapter 80D), when acting solely as incident to the contract;

(m) any broker-dealer or agent of a broker-dealer when participating in a transaction in which all or part of a business opportunity or business, including any interest therein, is conveyed or acquired pursuant to an asset purchase, merger, exchange of securities, or other business combination, if the agent or broker-dealer is licensed pursuant to chapter 80A;

(n) an accountant acting incident to the practice of the accounting profession if the accountant complies in all respects with the trust account provisions of this chapter; *and*

(o) any mortgage lender or mortgage broker licensed under sections 1 to 19 while engaged in the activities for which the license is required."

Page 2, after line 23, insert:

“Sec. 23. [APPROPRIATION.]

\$109,000 is appropriated from the general fund to the commissioner of commerce to administer sections 1 to 19. \$67,000 is for fiscal year 1991 and \$42,000 is for fiscal year 1992. The approved complement of the department of commerce is increased by one position.

Sec. 24. [REPEALER.]

Minnesota Statutes 1988, section 82.175, is repealed.

Sec. 25. [EFFECTIVE DATE.]

Sections 1 to 21 and 23 are effective January 1, 1991. Section 22 is effective July 1, 1990.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert “regulating mortgage lenders and mortgage bankers;”

Page 1, line 3, after the semicolon, insert “appropriating money;” and delete “section” and insert “sections 82.17, subdivision 4; and”

Page 1, line 4, after “4” insert “; Minnesota Statutes 1989 Supplement, section 82.18; proposing coding for new law as Minnesota Statutes, chapter 57; repealing Minnesota Statutes 1988, section 82.175”

The motion prevailed. So the amendment was adopted.

H.F. No. 2704 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.E.	McGowan	Purfeerst
Anderson	Decker	Knaak	McQuaid	Ramstad
Beckman	Dicklich	Knutsen	Mehrrens	Reichgott
Benson	Diessner	Kroening	Merriam	Renneke
Berg	Flynn	Laidig	Metzen	Schmitz
Berglin	Frank	Langseth	Moe, R.D.	Solon
Bernhagen	Frederick	Lantry	Olson	Spear
Bertram	Frederickson, D.J.	Larson	Pariseau	Storm
Brandl	Freeman	Lessard	Pehler	Stumpf
Chmielewski	Gustafson	Luther	Peterson, R.W.	Vickerman
Cohen	Hughes	Marty	Picpho	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1807 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1807: A bill for an act relating to Hennepin county; permitting the issuance of obligations by the county board for a public safety building; requiring a planning process and public hearing.

Mrs. Pariseau moved to amend S.F. No. 1807 as follows:

Page 2, after line 25, insert:

“Sec. 2. [ROSEMOUNT; ARMORY LEVY.]

Subdivision 1. [ARMORY LEVY.] The city of Rosemount may levy not more than \$95,000 per year and otherwise incur debt under Minnesota Statutes, chapter 193 or 475 or both, to acquire and better an armory and to be serviced by the levy without regard to the limits on debt service and debt otherwise provided by chapter 193 or 475.

Subd. 2. [REVERSE REFERENDUM.] If the city council proposes to make a levy pursuant to subdivision 1, it shall pass a resolution stating that fact. Thereafter, the resolution shall be published for two successive weeks in the official newspaper of the city or, if there is no official newspaper, in a newspaper of general circulation in the city, together with a notice fixing a date for a public hearing on the matter. The hearing shall be held not less than two weeks nor more than four weeks after the first publication of the resolution. Following the public hearing, the city may determine to take no further action or adopt a resolution confirming its intention to exercise the authority. That resolution shall also be published in the official newspaper or, if there is no official newspaper, in a newspaper of general circulation in the city. If within 30 days thereafter a petition signed by voters equal in number to ten percent of the votes cast in the city in the last general election requesting a referendum on the proposed resolution is filed with the county auditor, the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum. The referendum must be held at a special or general election prior to January 1, 1992.

Subd. 3. [LOCAL APPROVAL.] This section takes effect the day after the governing body of the city of Rosemount complies with Minnesota Statutes, section 645.021, subdivision 3.”

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 1807 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Hughes	McGowan	Piepho
Anderson	Decker	Johnson, D.E.	McQuaid	Piper
Beckman	DeCramer	Knaak	Mehrkens	Purfeerst
Benson	Dicklich	Knutson	Merriam	Ramstad
Berg	Diessner	Kroening	Metzen	Reanneke
Berglin	Flynn	Laidig	Moe, D.M.	Schmitz
Bernhagen	Frank	Langseth	Moe, R.D.	Solon
Bertram	Frederick	Lantry	Morse	Spear
Brandl	Frederickson, D.J.	Larson	Olson	Storm
Chmielewski	Frederickson, D.R.	Lessard	Pariseau	Stumpf
Cohan	Freeman	Luther	Pehler	Vickerman
Dahl	Gustafson	Marty	Peterson, R.W.	

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2018 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2018: A bill for an act relating to lawful gambling; defining lawful purposes for expenditures of gambling profits; establishing licensing qualifications for organizations and manufacturers; requiring organizations to report monthly on expenditures and contributions of gambling profits; authorizing the gambling control board to require recipients of contributions of gambling profits to register with the board; authorizing summary suspension of gambling licenses for failure to file tax returns; authorizing a limited number of video pull-tab devices and establishing standards and requirements for them; requiring inspection and testing of gambling equipment; requiring permits for gambling premises; requiring gambling managers to be licensed; requiring that employees of organizations conducting lawful gambling be registered with the board; requiring local gambling taxes and prescribing uses for revenue therefrom; abolishing lawful gambling on July 1, 1993; appropriating money; amending Minnesota Statutes 1988, sections 349.12, subdivisions 10, 18, and by adding subdivisions; 349.16, as amended; 349.17, as amended; 349.18, as amended; 349.19, as amended; 349.211, by adding a subdivision; 349.212, subdivision 5; 349.2121, subdivisions 1 and 4a; 349.2123; 349.30, subdivision 2; 349.31; 349.32; 349.34; 349.35, subdivision 1; 349.36; 349.38; 349.39; 349.50, subdivision 8; 349.55; 609.75, subdivision 4; Minnesota Statutes 1989 Supplement, sections 299L.03, by adding a subdivision; 340A.410, subdivision 5; 349.12, subdivisions 12 and 15; 349.151, subdivision 4, and by adding a subdivision; 349.152, subdivision 2, and by adding subdivisions; 349.161, as amended; 349.162; 349.163, as amended; 349.164; 349.2121, subdivision 2; 349.2122; 349.213, subdivision 2; 609.75, subdivision 3; 609.761, subdivision 1; Minnesota Statutes Second 1989 Supplement, sections 349.12, subdivisions 11 and 19; 349.15; 349.212, subdivisions 1, 2, and 4; Laws 1989, First Special Session chapter 1, article 13, section 27; proposing coding for new law in Minnesota Statutes, chapter 349; repealing Minnesota Statutes 1988, sections 349.11, as amended; 349.12, as amended; 349.13; 349.14; 349.15, as amended; 349.16, as amended; 349.161, as amended; 349.162, as amended; 349.163, as amended; 349.164, as amended; 349.17, as amended; 349.18, as amended; 349.19, as amended; 349.211; 349.212, as amended; 349.2121, as amended; 349.2122, as amended; 349.2123; 349.2124; 349.2125, as amended; 349.2127, as amended; 349.213, as amended; 349.214, subdivisions 1, 1a, 3, and 4; 349.22, as amended; 349.23; Minnesota Statutes 1989 Supplement, sections 349.151, subdivisions 1, 2, 4, 4a, and 5; 349.152; 349.153; 349.20; 349.21; 349.215; 349.2151; 349.2152; 349.216; 349.217; 349.2171; 349.218; 349.219; Minnesota Statutes Second 1989 Supplement, section 349.214, subdivision 2.

Ms. Reichgott moved to amend S.F. No. 2018 as follows:

Page 2, after line 11, insert:

"ARTICLE 1
REGULATORY PROVISIONS"

Page 63, after line 30, insert:

"ARTICLE 2
PENALTY PROVISIONS"

Section 1. Minnesota Statutes 1989 Supplement, section 349.2125, subdivision 1, is amended to read:

Subdivision 1. [CONTRABAND DEFINED.] The following are contraband:

(1) all pull-tab ~~or~~ *and* tipboard deals, *and video pull-tab devices and memory chips*, that do not have stamps affixed to them as provided in section 349.162;

(2) all pull-tab ~~or~~ *and* tipboard deals, *and video pull-tab devices and memory chips*, in the possession of any unlicensed person, firm, or organization, whether stamped or unstamped;

(3) any container used for the storage and display of any contraband pull-tab or tipboard deals *or video pull-tab devices or memory chips* as defined in clauses (1) and (2);

(4) all currency, checks, and other things of value used for pull-tab or tipboard *or video pull-tab* transactions not expressly permitted under this chapter, and any cash drawer, cash register, or any other container used for illegal pull-tab or tipboard *or video pull-tab* transactions including its contents;

(5) any device including, but not limited to, motor vehicles, trailers, snowmobiles, airplanes, and boats used, with the knowledge of the owner or of a person operating with the consent of the owner, for the storage or transportation of a *video pull-tab device or memory chip* or more than five pull-tab or tipboard deals that are contraband under this subdivision. When pull-tabs ~~and~~, tipboards, *or video pull-tab devices or memory chips* are being transported in the course of interstate commerce, or from one distributor to another, the pull-tab and tipboard deals *and video pull-tab devices or memory chips* are not contraband, notwithstanding the provisions of clause (1);

(6) any unaffixed registration stamps except as provided in section 349.162, subdivision 4;

(7) any prize used or offered in a game utilizing contraband as defined in this subdivision;

(8) any altered, modified, or counterfeit pull-tab or tipboard ticket, *video pull-tab device prize voucher or video pull-tab device or memory chip*;

(9) any unregistered gambling equipment except as permitted by this chapter; ~~and~~

(10) any gambling equipment kept in violation of section 349.18; *and*

(11) *any gambling equipment not in conformity with law or board rule.*

Sec. 2. Minnesota Statutes 1989 Supplement, section 349.2125, subdivision 3, is amended to read:

Subd. 3. [INVENTORY; JUDICIAL DETERMINATION; APPEAL; DISPOSITION OF SEIZED PROPERTY.] Within ~~two~~ ten days after the seizure of any alleged contraband, the person making the seizure shall ~~deliver~~ *make available* an inventory of the property seized to the person from whom the property was seized, if known, and file a copy with the commissioner of revenue or the director of gambling enforcement. Within ten days after the date of service of the inventory, the person from whom the property was seized or any person claiming an interest in the property may file with the seizing authority a demand for judicial determination of whether the property was lawfully subject to seizure and forfeiture. Within ~~30~~ 60 days after the date of filing of the demand, the seizing authority must bring an action in the district court of the county where seizure was made to determine the issue of forfeiture. The action must be brought in the name of the state and be prosecuted by the county attorney or by the attorney general. The court shall hear the action without a jury and determine the issues of fact and laws involved. When a judgment of forfeiture is entered, the seizing authority may, unless the judgment is stayed pending an appeal, either (1) cause the forfeited property to be destroyed; or (2) cause it to be sold at a public auction as provided by law.

If demand for judicial determination is made and no action is commenced *by the seizing authority* as provided in this subdivision, the property must be released by the seizing authority and delivered to the person entitled to it. If no demand is made, the property seized is considered forfeited to the ~~state~~ *seizing authority* by operation of law and may be disposed of by the seizing authority as provided where there has been a judgment of forfeiture. When the seizing authority is satisfied that a person from whom property is seized was acting in good faith and without intent to evade the tax imposed by section 349.2121, subdivision 4, the seizing authority shall release the property seized without further legal proceedings.

Sec. 3. Minnesota Statutes 1988, section 349.2125, subdivision 4, is amended to read:

Subd. 4. [DISPOSAL.] (a) The property described in subdivision 1, clauses (4) and (5), must be confiscated after conviction of the person from whom it was seized, upon compliance with the following procedure: the seizing authority shall file with the court a separate complaint against the property, describing it and charging its use in the specific violation, and specifying substantially the time and place of the unlawful use. A copy of the complaint must be served upon the defendant or person in charge of the property at the time of seizure, if any. If the person arrested is acquitted, the court shall dismiss the complaint against the property and order it returned to the persons legally entitled to it. Upon conviction of the person arrested, the court shall issue an order directed to any person known or believed to have any right, title or interest in, or lien upon, any of the property, and to persons unknown claiming any right, title, interest, or lien in it, describing the property and (1) stating that it was seized and that a complaint against it, charging the specified violation, has been filed with the court, (2) requiring the persons to file with the court administrator their answer to the complaint, setting forth any claim they may have to any right or title to, interest in, or lien upon the property, within 30 days after the service of the order, and (3) notifying them in substance that if they fail to file their answer within the time, the property will be ordered sold by the seizing authority. The court shall cause the order to be served upon any person known or believed to have any right, title, interest, or lien as

in the case of a summons in a civil action, and upon unknown persons by publication, as provided for service of summons in a civil action. If no answer is filed within the time prescribed, the court shall, upon affidavit by the court administrator, setting forth the fact, order the property sold by the seizing authority. ~~Seventy percent of the proceeds of the sale, after deducting the expense of keeping the property and fees and costs of sale, must be paid into the state treasury and credited to the general fund of forfeited property, after payment of seizure, storage, forfeiture and sale expenses, must be forwarded to the seizing authority for deposit as a supplement to its operating fund or similar fund for official use, and 20 percent must be forwarded to the county attorney or other prosecuting agency that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes. The remaining ten percent of the proceeds must be forwarded within 60 days after resolution of the forfeiture to the department of human services to fund programs for the treatment of compulsive gamblers.~~ If answer is filed within the time provided, the court shall fix a time for a hearing, which shall be not less than ten nor more than 30 days after the time for filing answer expires. At the time fixed for hearing, unless continued for cause, the matter shall be heard and determined by the court, without a jury, as in other civil actions.

(b) If the court finds that the property, or any part of it, was used in the violation specified in the complaint, it shall order the property unlawfully used, sold as provided by law, unless the owner shows to the satisfaction of the court that the owner had no notice or knowledge or reason to believe that the property was used or intended to be used in the violation. The officer making a sale, after deducting the expense of keeping the property, the fee for seizure, and the costs of the sale, shall pay all liens according to their priority, which are established at the hearing as being bona fide and as existing without the lienor having any notice or knowledge that the property was being used or was intended to be used for or in connection with the violation specified in the order of the court, and shall pay the balance of the proceeds ~~into the state treasury to be credited to the general fund~~ to the seizing authority for official use and sharing in the manner provided in paragraph (a). A sale under this section shall free the property sold from any and all liens on it. Appeal from the order of the district court will lie as in other civil cases. At any time after seizure of the articles specified in this subdivision, and before the hearing provided for, the property must be returned to the owner or person having a legal right to its possession, upon execution of a good and valid bond to the state, with corporate surety, in the sum of not less than \$100 and not more than double the value of the property seized, to be approved by the court in which the case is triable, or a judge of it, conditioned to abide any order and the judgment of the court, and to pay the full value of the property at the time of the seizure. The seizing authority may dismiss the proceedings outlined in this subdivision when the seizing authority considers it to be in the ~~best interests of the state~~ public interest to do so.

Sec. 4. Minnesota Statutes 1988, section 349.2127, subdivision 1, is amended to read:

Subdivision 1. [COUNTERFEITING.] ~~No~~ (a) A person ~~shall is guilty of a felony who,~~ with intent to defraud the state, ~~make makes,~~ ~~alter alters,~~ ~~forge forges,~~ or ~~counterfeit counterfeits~~ any license or stamp provided for in this chapter, or ~~have has~~ in possession any forged, spurious, or altered stamps, with the intent, or with the result of, depriving the state of the tax

imposed by this chapter.

(b) A person is guilty of a felony who alters, modifies, or counterfeits a video pull-tab device or memory chip.

Sec. 5. Minnesota Statutes 1989 Supplement, section 349.2127, subdivision 2, is amended to read:

Subd. 2. [PROHIBITION AGAINST POSSESSION.] ~~(a) No~~ A person, other than a licensed distributor, ~~shall sell, offer is guilty of a crime who sells, offers for sale, or have in possession with intent to sell or offer for sale,~~ possesses a pull-tab or tipboard deal, or a video pull-tab device or memory chip, that is not stamped in accordance with the provisions of this chapter. A violation of this paragraph is a felony if it involves more than ten pull-tab or tipboard deals or any amount of video pull-tab devices or memory chips.

~~(b) No~~ A person, other than a licensed distributor or licensed or exempt an organization under section 349.214 ~~may possess with the intent to sell or offer licensed or exempt or excluded from licensing under this chapter,~~ is guilty of a crime who sells, offers to sell, or possesses gambling equipment; ~~except (1) equipment exempt from taxation, or (2) equipment put into play by a licensed or exempt organization.~~ A violation of this paragraph is a felony if it involves more than ten pull-tab or tipboard deals or any amount of video pull-tab devices or memory chips.

~~(c) No~~ A person, firm, or organization ~~may possess is guilty of a crime who alters, modifies, or counterfeits pull-tabs, tipboards, tipboard tickets, or video pull-tab device prize vouchers, or possesses altered, modified, or counterfeit pull-tabs or, tipboards, tipboard tickets with intent to sell, redeem, or exchange them, or video pull-tab device prize vouchers.~~ A violation of this paragraph is a felony if the total face value for all such pull-tabs, tipboards, tipboard tickets, or video pull-tab prize vouchers exceeds \$200. For purposes of this paragraph, the face value of all pull-tabs, tipboards, tipboard tickets, and video pull-tab prize vouchers altered, modified, or counterfeited within a six-month period may be aggregated and the defendant charged accordingly.

Sec. 6. Minnesota Statutes 1988, section 349.2127, subdivision 3, is amended to read:

Subd. 3. [FALSIFICATION OF RECORDS FALSE INFORMATION.] ~~No~~ (a) A person is guilty of a gross misdemeanor if the person is required by section 349.2121, subdivision 2, to keep records or to make returns ~~shall falsify or fail and falsifies or fails to keep the records or falsify or fail falsifies or fails to make the returns.~~

(b) A person is guilty of a felony who:

(1) knowingly submits false information in any license application or other document or communication submitted to the board; or

(2) knowingly submits false information in any report, document, or other communication submitted to the commissioner of revenue in connection with lawful gambling or with any provision of this chapter.

Sec. 7. Minnesota Statutes Second 1989 Supplement, section 349.2127, subdivision 4, is amended to read:

Subd. 4. [TRANSPORTING UNSTAMPED DEALS.] ~~No~~ A person ~~shall transport is guilty of a gross misdemeanor who transports into, or receive~~

receives, carry carries, or move moves from place to place in this state, any deals of pull-tabs or tipboards not stamped in accordance with this chapter or any video pull-tab device or memory chip except in the course of interstate commerce. A person is guilty of a felony who violates this subdivision after a previous conviction under this subdivision, or with respect to more than ten pull-tab or tipboard deals, or a combination of more than ten deals of pull-tabs and tipboards.

Sec. 8. Minnesota Statutes Second 1989 Supplement, section 349.2127, subdivision 5, is amended to read:

Subd. 5. [PROVIDING INFORMATION.] ~~No~~ *An employee of an organization shall provide is guilty of a felony if the employee provides any information to a player that would provide an unfair advantage to the player related to the potential winnings of any lawful gambling activity. For purposes of this subdivision, "employee" includes a volunteer.*

Sec. 9. Minnesota Statutes 1988, section 349.2127, is amended by adding a subdivision to read:

Subd. 6. [CHECKS FOR GAMBLING PURCHASES.] *An organization may not accept checks in payment for the purchase of any gambling equipment or for the chance to participate in any form of lawful gambling. A person who violates this subdivision is guilty of a misdemeanor.*

Sec. 10. Minnesota Statutes 1989 Supplement, section 349.22, subdivision 1, is amended to read:

Subdivision 1. [GROSS MISDEMEANOR.] *(a) A person who commits any violation of sections 349.11 to 349.23 for which another penalty is not provided is guilty of a gross misdemeanor.*

(b) A person who in any manner violates sections 349.11 to 349.23 to evade a tax imposed by a provision of this chapter, or who aids and abets the evasion of a tax, or hinders or interferes with a seizing authority when a seizure is made as provided by section 349.2125, is guilty of a gross misdemeanor.

Sec. 11. Minnesota Statutes 1989 Supplement, section 349.501, subdivision 1, is amended to read:

Subdivision 1. [TO THE PUBLIC.] *An operator must prominently post in the owner's business premises a brief description of the legal consequences of awarding or receiving cash instead of game credits or replays on video games of chance in violation of ~~section~~ sections 349.502 and 609.76, subdivision 1.*

The information is prominently posted if it can be readily seen by a player immediately before the player participates in the video game of chance.

Sec. 12. Minnesota Statutes 1989 Supplement, section 349.502, subdivision 1, is amended to read:

Subdivision 1. [MISDEMEANOR.] *A person who awards or receives cash instead of game credits or anything of value other than replays on a video game of chance is guilty of a misdemeanor. An owner who directs an employee to violate this section is also considered to have violated this section. For purposes of this subdivision "cash" includes checks.*

Sec. 13. Minnesota Statutes 1988, section 349.52, is amended by adding

a subdivision to read:

Subd. 5. [LOCAL REGULATION.] A statutory or home rule charter city or county has the authority to adopt more stringent regulations concerning video games of chance, including regulations prohibiting video games of chance within its jurisdiction.

Sec. 14. Minnesota Statutes 1988, section 349.59, subdivision 1, is amended to read:

Subdivision 1. [PACKAGES DECLARED TO BE CONTRABAND.] The following are declared to be contraband:

(1) all video games of chance which do not have a licensing stamp affixed to them and all containers that contain contraband video games of chance;

(2) all video games of chance to which the commissioner or designated representatives have been denied access for the inspection of contents. In lieu of seizure, the commissioner or designated representatives may seal the game to prevent its use until inspection of contents is permitted;

(3) all video games of chance at a location at which there is no location agreement in force; ~~and~~

(4) all video games of chance illegally brought into the state; *and*

(5) *all video games of chance that do not conform to the game specifications contained in section 349.55.*

Sec. 15. Minnesota Statutes 1989 Supplement, section 609.76, subdivision 1, is amended to read:

Subdivision 1. [GROSS MISDEMEANORS.] Whoever does any of the following may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both:

(1) maintains or operates a gambling place or operates a bucket shop;

(2) intentionally participates in the income of a gambling place or bucket shop;

(3) conducts a lottery, or, with intent to conduct a lottery, possesses facilities for doing so;

(4) sets up for use for the purpose of gambling, or collects the proceeds of, any gambling device or bucket shop;

(5) with intent that it shall be so used, manufactures, sells or offers for sale, in whole or any part thereof, any gambling device including those defined in section 349.30, subdivision 2, and any facility for conducting a lottery, except as provided by section 349.40;

(6) receives, records, or forwards bets or offers to bet or, with intent to receive, record, or forward bets or offers to bet, possesses facilities to do so; or

(7) pays any compensation for game credits earned on or otherwise rewards, *with anything of value, other than free plays*, players of video games of chance as defined ~~under~~ in section 349.50, subdivision 8, *or who directs an employee to pay any such compensation or reward.*

Sec. 16. [REPEALER.]

Minnesota Statutes 1989 Supplement, section 349.22, subdivision 3, is

repealed.

Sec. 17. [EFFECTIVE DATE; APPLICATION.]

Sections 1 to 16 are effective August 1, 1990. Sections 4 to 10, 12, 15, and 16 apply to violations committed on or after that date.”

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Lessard moved to amend S.F. No. 2018 as follows:

Page 2, delete section 2

Page 8, line 33, delete the new language

Page 10, delete lines 17 to 24

Page 60, delete section 59

Page 61, delete section 61

Pages 61 and 62, delete section 63

Page 63, line 7, delete “(a)”

Page 63, delete lines 12 to 24

Page 63, delete lines 29 and 30

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

CALL OF THE SENATE

Mr. Lessard imposed a call of the Senate for the Lessard amendment to S.F. No. 2018. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Lessard amendment.

The roll was called, and there were yeas 46 and nays 9, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.E.	Mehrkens	Reichgott
Anderson	Decker	Knaak	Metzen	Renneke
Beckman	DeCramer	Kroening	Moe, R. D.	Samuelson
Benson	Diessner	Laidig	Morse	Schmitz
Berg	Frank	Langseth	Pariseau	Solon
Bernhagen	Frederick	Lantry	Pehler	Vickerman
Bertram	Frederickson, D.J.	Larson	Ptepho	
Chmielewski	Frederickson, D.R.	Lessard	Piper	
Cohen	Gustafson	McGowan	Purfeerst	
Dahl	Hughes	McQuaid	Ramstad	

Those who voted in the negative were:

Berglin	Freeman	Marty	Peterson, R.W.	Storm
Flynn	Luther	Merriam	Spear	

The motion prevailed. So the amendment was adopted.

Mrs. Lantry moved to amend S.F. No. 2018 as follows:

Page 55, line 5, delete “subdivision 2,”

Page 55, after line 5, insert:

“349.213 [LOCAL AUTHORITY.]

Subdivision 1. [LOCAL REGULATION.] A statutory or home rule city or county has the authority to adopt more stringent regulation of ~~any form~~ of lawful gambling within its jurisdiction, including the prohibition of ~~any form~~ of lawful gambling, and may require a permit for the conduct of gambling exempt from licensing under section 349.214. The fee for a permit issued under this subdivision may not exceed \$100. The authority granted by this subdivision does not include the authority to require a license or permit to conduct gambling by organizations or sales by distributors licensed by the board. The authority granted by this subdivision does not include the authority to require an organization to make specific expenditures of more than ten percent from its net profits derived from lawful gambling. For the purposes of this subdivision, net profits are profits less amounts expended for allowable expenses. A statutory or home rule charter city or a county may not require an organization conducting lawful gambling within its jurisdiction to make an expenditure to the city or county as a condition to operate within that city or county, except as authorized under section 349.16, subdivision 4, or 349.212; provided, however, that an ordinance requirement that such organizations must contribute ten percent of their net profits derived from lawful gambling to a fund administered and regulated by the responsible local unit of government without cost to such fund, for disbursement by the responsible local unit of government of the receipts for lawful purposes, is not considered an expenditure to the city or county nor a tax under section 349.212, and is valid and lawful.

A statutory or home rule city or county may by ordinance require that a licensed organization conducting lawful gambling within its jurisdiction expend all or a portion of its expenditures for lawful purposes on lawful purposes conducted or located within the city's or county's trade area. Such an ordinance must define the city's or county's trade area and must specify the percentage of lawful purpose expenditures which must be expended within the trade area.

A more stringent regulation or prohibition of lawful gambling adopted by a political subdivision under this subdivision must apply equally to all forms of lawful gambling within the jurisdiction of the political subdivision.”

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Merriam moved to amend S.F. No. 2018 as follows:

Page 62, line 17, delete “REPORTS” and insert “REPORT”

Page 62, delete lines 18 to 27

Page 62, line 28, delete “*Subd. 2. [GAMBLING CONTROL BOARD.]*”

The motion prevailed. So the amendment was adopted.

Mr. Merriam then moved to amend the Reichgott amendment to S.F. No. 2018, adopted by the Senate April 4, 1990, as follows:

Page 6, after line 3, insert:

“Sec. 5. Minnesota Statutes 1988, section 349.2127, is amended by adding a subdivision to read:

Subd. 1a. [UNLAWFUL EXPENDITURES.] (a) A person who knowingly or with reason to know makes an expenditure of gross profits from lawful

gambling for a purpose other than a lawful purpose as defined in section 349.12, subdivision 11, is guilty of a crime and may be sentenced as provided in this subdivision.

(b) If the unlawful expenditure is of \$2,500 or less, the person is guilty of a misdemeanor.

(c) If the unlawful expenditure is of more than \$2,500, the person is guilty of a gross misdemeanor.

(d) For purposes of this subdivision, expenditures made within a six-month period may be aggregated and the defendant charged accordingly."

Page 6, line 12, after the period, insert "A violation of this paragraph is a gross misdemeanor if it involves ten or fewer pull-tab or tipboard deals."

Page 6, line 21, after the period, insert "A violation of this paragraph is a gross misdemeanor if it involves ten or fewer pull-tab or tipboard deals."

Page 6, line 31, delete "felony" and insert "gross misdemeanor"

Page 6, line 33, delete "exceeds" and insert "does not exceed" and after the period, insert "A violation of this paragraph is a felony if the total face value exceeds \$200."

Page 7, lines 11 and 14, after "submits" insert "materially"

Page 8, line 11, strike "GROSS MISDEMEANOR" and insert "PENALTY"

Page 8, line 13, delete "gross"

Page 10, line 14, delete the second comma

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Laidig moved to amend S.F. No. 2018 as follows:

Page 51, line 25, delete "may" and insert "shall"

The motion prevailed. So the amendment was adopted.

S.F. No. 2018 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 34 and nays 30, as follows:

Those who voted in the affirmative were:

Berglin	Frank	Lantry	Morse	Reichgott
Cohen	Frederickson, D.J.	Luther	Novak	Samuelson
Dahl	Freeman	Marty	Pehler	Schmitz
DeCramer	Gustafson	McQuaid	Peterson, R. W.	Solon
Dicklich	Hughes	Merriam	Piper	Spear
Diessner	Johnson, D.J.	Moe, D.M.	Pogemiller	Waldorf
Flynn	Kroening	Moe, R. D.	Purfeerst	

Those who voted in the negative were:

Adkins	Bernhagen	Frederick	Larson	Piepho
Anderson	Bertram	Frederickson, D.R.	Lessard	Ramstad
Beckman	Brataas	Johnson, D.E.	McGowan	Renneke
Belanger	Chmielewski	Knaak	Mehrkens	Storm
Benson	Davis	Laidig	Metzen	Stumpf
Berg	Decker	Langseth	Pariseau	Vickerman

So the bill, as amended, was passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that H.F. No. 2419 be taken from the table. The motion prevailed.

H.F. No. 2419: A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative expenses of state government; providing for the transfer of certain money in the state treasury; fixing and limiting the amount of fees, penalties, and other costs to be collected in certain cases; creating, abolishing, modifying, and transferring agencies and functions; defining and amending terms; providing for settlement of claims; imposing certain duties, responsibilities, authority, and limitations on agencies and political subdivisions; consolidating certain funds and accounts and making conforming changes; changing the organization, operation, financing, and management of certain courts and related offices; amending Minnesota Statutes 1988, sections 2.722, subdivision 1; 3C.035, subdivision 3; 3C.11, subdivision 2; 5.13; 11A.07, subdivision 5; 14.07, subdivisions 1 and 2; 14.08; 14.26; 14.53; 15.054; 15.06, subdivision 1; 15.51; 15.52, subdivisions 2 and 3; 15.53, subdivision 1; 15.56, subdivision 5; 15.59; 16A.10, by adding a subdivision; 16A.127, subdivisions 3 and 8; 16B.24, subdivision 5, and by adding subdivisions; 16B.28, subdivision 2; 16B.48, subdivisions 4 and 5; 16B.51, subdivision 2; 16B.53, subdivision 3; 16B.85, subdivisions 2, 3, and 5; 17.102, subdivision 4; 40A.08; 40A.151; 40A.152, subdivision 3; 40A.16; 41A.04, subdivision 1; 41A.05, subdivision 2; 41A.051; 41A.066, subdivision 1; 62D.122; 62J.02, subdivisions 2 and 3; 84.027, by adding a subdivision; 84.154, subdivision 5; 84.943; 84A.53; 84A.54; 89.37, subdivision 4; 89.58; 97A.065, subdivision 2; 97C.001, subdivision 1; 105.485, subdivision 3; 110B.04, subdivision 7; 110B.08, subdivision 5; 115.103, subdivision 1; 115A.072, subdivision 1; 115A.15, subdivision 6; 116.36, subdivision 1; 116.65, subdivision 3; 116C.03, subdivisions 4 and 5; 116C.712, subdivisions 3 and 5; 116D.04, subdivisions 5a and 10; 116D.045, subdivision 3; 116J.971, by adding a subdivision; 116J.980; 116L.03, by adding a subdivision; 116P.11; 126.115, subdivision 3; 144.226, subdivision 3; 144.70, subdivision 2; 144.8093, subdivisions 2, 3, and 4; 144A.071, subdivision 5; 144A.31, subdivision 1; 144A.33, subdivision 4; 145A.02, subdivision 16; 145A.09, subdivision 6; 157.045; 169.126, subdivision 4b; 171.06, subdivision 2a; 176B.02; 176B.04; 181.953; 183.545, subdivision 9; 184.33, subdivision 1, and by adding a subdivision; 184.35; 190.08, by adding a subdivision; 192.85; 196.054, subdivision 2; 197.23, subdivision 2; 201.023; 204B.14, subdivision 5; 214.141; 240A.02, subdivisions 1 and 3; 240A.03, subdivision 13, and by adding a subdivision; 243.48, subdivision 1; 268.026, subdivision 2; 268.361, subdivision 3; 268.677, subdivision 2; 268.681, subdivision 3; 270.68, subdivision 1; 272.38, subdivision 1; 282.014; 296.06, subdivision 2; 296.12, subdivisions 1 and 2; 296.17, subdivisions 10 and 17; 297.03, subdivision 5a; 299D.03, subdivision 5; 326.37; 326.47, subdivision 3; 326.52; 326.75, subdivision 4; 349.22, subdivision 2; 349.36;

349.52, subdivision 3; 352.92, subdivision 2; 352B.02, subdivision 1c; 353D.01, subdivision 2; 354.42, subdivision 5; 363.073, by adding a subdivision; 368.01, subdivision 1a; 402.045; 462.384, subdivision 7; 477A.014, subdivision 4; 480A.01, subdivision 3; 481.14; 484.54, subdivision 1; 484.545, subdivision 1; 484.68, subdivision 2, and by adding a subdivision; 484.70, subdivision 1; 485.03; 486.01; 487.32, subdivisions 2 and 3; 487.33, by adding a subdivision; 611.20; 611.215, subdivision 1; 611.26, subdivision 3; 611.27; 611.271; 629.292, subdivision 1; Minnesota Statutes 1989 Supplement, sections 3.30, subdivisions 1 and 2; 5.18; 15A.081, subdivision 1; 16A.11, subdivision 3; 16A.133, subdivision 1; 16B.24, subdivision 6; 16B.28, subdivision 3; 16B.465, subdivision 1; 16B.48, subdivision 2; 17.49, subdivision 1; 18.0225; 41A.05, subdivision 1; 43A.02, subdivision 25; 43A.24, subdivision 2, and by adding a subdivision; 84A.51, subdivision 2; 85.205; 89.035; 89.036; 97A.475, subdivision 2; 103H.101, subdivision 4; 103H.175; 105.41, subdivision 5a; 115A.54, subdivision 2a; 115A.923, subdivision 2; 116.85; 116C.03, subdivision 2; 116J.01, subdivision 3; 116J.58, subdivision 1; 116J.617, subdivision 5; 116J.955, subdivision 1; 116J.9673, subdivision 4; 116J.971, subdivisions 6, 7, and 8; 116L.03, subdivision 2; 129B.13, subdivisions 2, 3, 8, 9, 10, 12, 14, 15, and 16; 144.861; 145.926, subdivisions 1, 4, 5, 7, and 8; 169.686, subdivision 3; 176.135, subdivision 1; 183.357, subdivision 4; 190.25, subdivision 3; 216D.08, subdivision 3; 245.4873, subdivision 2; 245.697, subdivision 2a; 246.18, subdivision 3a; 256H.25, subdivision 1; 270.06; 270.064; 299A.30, subdivision 2; 299A.31, subdivision 1; 299A.40, subdivision 4; 299F.641, subdivision 8; 299J.12, subdivision 1; 336.9-413; 352.04, subdivisions 2 and 3; 357.021, subdivision 2; 357.022; 357.08; 363.073, subdivision 1; 466A.05, subdivision 1; 469.203, subdivisions 4 and 5; 469.204, subdivision 2; 469.205, by adding a subdivision; 469.207; 473.156, subdivision 1; 480.242; 484.68, subdivision 5; 485.018, subdivision 5; 486.05, subdivisions 1 and 1a; 486.06; 487.31, subdivision 1; 504.34, subdivisions 5 and 6; 611.215, by adding a subdivision; and 611.26, subdivision 2; Minnesota Statutes Second 1989 Supplement, sections 3.885, subdivisions 3, 5, and 6; 275.14; 275.51, subdivision 6; 297A.44, subdivision 1; 357.021, subdivision 1a; 373.40, subdivision 1; 477A.011, subdivisions 3 and 3a; 477A.012, subdivision 4; Laws 1987, chapter 404, section 192, subdivision 2; Laws 1988, chapters 648, section 3; and 686, article 1, section 52; Laws 1989, chapter 335, article 1, sections 4, 36, and 42, subdivision 2; article 3, sections 38; and 58, as amended; and article 4, section 107; Laws 1989, First Special Session chapter 1, article 24, section 2; proposing coding for new law in Minnesota Statutes, chapters 4, 6, 15, 16A, 16B, 43A, 88, 116, 116J, 240A, 268, 462A, and 484; proposing coding for new law as Minnesota Statutes, chapter 484A; repealing Minnesota Statutes 1988, sections 3C.056; 14.32, subdivision 2; 40A.02, subdivision 2; 84A.51, subdivision 1; 85.30; 116E.01; 116E.02; 116E.04; 116J.971, subdivisions 1, 2, 4, 5, and 10; 116K.01 to 116K.03; 116K.04, as amended; 116K.05 to 116K.13; 116N.01; 116N.02, as amended; 116N.03 to 116N.07; 116N.08, as amended; 184.34; 268.681, subdivision 4; 299J.18; 326.82; 480.252; 480.254; 484.55; 485.018, subdivision 2a; 486.07; 487.10, subdivisions 2 and 4; and 487.13; Minnesota Statutes 1989 Supplement, sections 3C.035, subdivision 2; 8.15; 97B.301, subdivision 5; 116E.03; 116E.035; 116J.970; 116J.971, subdivisions 3 and 9; 116K.14; 116O.03, subdivision 2a; 357.021, subdivision 2a; 469.203, subdivision 5; 480.241; 480.242, subdivision 4, as amended; 480.256; and 484.545, subdivisions 2 and 3; Laws 1988, chapter 686, article 1, section 3, paragraph (c); Laws 1989, chapter 303, section 10; Minnesota Rules, part 4410.3800, subparts

1 and 3.

SUSPENSION OF RULES

Mr. Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 2419 and that the rules of the Senate be so far suspended as to give H.F. No. 2419 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 2419 was read the second time.

Mr. Kroening moved to amend H.F. No. 2419 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 2419, and insert the language after the enacting clause, and the title, of S.F. No. 2631, as introduced.

The motion prevailed. So the amendment was adopted.

Mr. Frederickson, D.J. moved to amend H.F. No. 2419, as amended by the Senate April 4, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2631.)

Page 11, after line 31, insert:

“Sec. 43. Minnesota Statutes 1988, section 116.36, subdivision 1, is amended to read:

Subdivision 1. For the purposes of ~~this section and section 116.37 sections 116.36 to 116.38~~, the following terms ~~shall~~ have the meanings given.

Sec. 44. [116.38] [PCB BURNING.]

Subdivision 1. [STATE POLICY.] The legislature finds that risks to human health must be adequately evaluated before a facility is granted a permit to burn PCBs. The legislature also finds that if there is a risk to human health, all human health must be treated with equal concern, and facilities that cause risks to human health must not be allowed to operate in sparsely populated areas if they would not be allowed to operate in heavily populated areas.

Subd. 2. [EIS REQUIRED.] A state agency may not allow burning of PCBs by permit or otherwise unless an environmental impact statement is completed. This section does not apply to experimental burning of small quantities of PCBs.

Subd. 3. [HEALTH CONCERNS.] If an environmental impact statement is prepared under subdivision 2 and it states there is a significant risk to public health because of burning PCBs, the county where the burning facility is located may, by resolution, prohibit the burning of PCBs that are not generated within the county unless the county is compensated by the facility for the actual or potential health risks. The amount of compensation shall be determined by the Minnesota pollution control agency, in consultation with the county board.

Subd. 4. [LOCAL RESOLUTION.] As part of the application, the owner must submit a resolution from each city council of a statutory or home rule charter city where a facility is located approving the burning of PCBs.”

Renumber the sections in sequence and correct the internal references
Amend the title accordingly

Mr. Merriam questioned whether the amendment was germane. The President ruled that the amendment was germane.

Mr. Merriam appealed the decision of the President.

CALL OF THE SENATE

Mr. Merriam imposed a call of the Senate for the balance of the proceedings on H.F. No. 2419. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on "Shall the decision of the President be the judgment of the Senate?"

The decision of the President was sustained.

The question was taken on the adoption of the Frederickson, D.J. amendment.

The roll was called, and there were yeas 34 and nays 29, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Hughes	Lessard	Purfeerst
Anderson	Decker	Johnson, D.E.	Luther	Ramstad
Beckman	DeCramer	Johnson, D.J.	McGowan	Renneke
Belanger	Dicklich	Knaak	McQuaid	Samuelson
Bernhagen	Frederjck	Kroening	Mehrkens	Solon
Bertram	Frederickson, D.J.	Langseth	Metzen	Vickerman
Chmielewski	Frederickson, D.R.	Lantry	Pariseau	

Those who voted in the negative were:

Benson	Diessner	Laidig	Morse	Schmitz
Berg	Flynn	Larson	Pehler	Spear
Berglin	Frank	Marty	Peterson, R.W.	Storm
Brataas	Freeman	Merriam	Piepho	Stumpf
Cohen	Gustafson	Moc. D.M.	Piper	Waldorf
Dahl	Knutson	Moc. R.D.	Reichgott	

The motion prevailed. So the amendment was adopted.

Mr. Benson moved to amend H.F. No. 2419, as amended by the Senate April 4, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2631.)

Page 10, after line 4, insert:

"Sec. 42. Minnesota Statutes Second 1989 Supplement, section 3.982, is amended to read:

3.982 [FISCAL NOTES FOR STATE-MANDATED ACTIONS.]

When a bill proposing a new or expanded mandate on a political subdivision is introduced and referred to a standing committee, the head of each affected department or agency of the state government shall the department of finance shall determine whether the bill proposes a new or expanded mandate on a political subdivision. If it is determined that a new or expanded mandate is proposed, the commissioner of finance shall direct the appropriate department or agency of state government to prepare a

fiscal note identifying the projected fiscal impact of the bill on state government and on the affected political subdivisions. The commissioner of finance shall be responsible for coordinating the fiscal note process, for assuring the accuracy and completeness of the note, and for ensuring that fiscal notes are prepared, delivered, and updated as provided in this section. The fiscal note shall categorize mandates as program or nonprogram mandates and shall include estimates of the levy impacts of the mandates. To the extent that the bill would impose new fiscal obligations on political subdivisions, the note shall indicate the efforts made to reduce those obligations, including consultations made with representatives of the political subdivisions. Chairs of legislative committees receiving bills on rereferrals from other legislative committees may request that fiscal notes be amended to reflect amendments made to the bills by prior committee action. Preparation of the fiscal notes required in this section shall be consistent with section 3.98. The commissioner of finance shall periodically report to and consult with the legislative commission on planning and fiscal policy on the issuance of the notes.”

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Berg moved to amend H.F. No. 2419, as amended by the Senate April 4, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2631.)

Page 10, after line 4, insert:

“Sec. 42. Minnesota Statutes 1988, section 97B.665, is amended to read:
97B.665 [IMPAIRMENT OF DRAINAGE BY BEAVER DAMS.]

Subdivision 1. [AGREEMENT BY COUNTY BOARD, LANDOWNER, AND COMMISSIONER.] (a) When a drainage watercourse is impaired by a beaver dam, the ~~commissioner~~ *county board* shall take action to remove the impairment, if:

- (1) the county board unanimously consents;
- (2) the landowner approves;
- (3) the commissioner agrees; and
- (4) the action is financially feasible.

(b) In a county with unanimous consent of the county board of commissioners and approval of the landowner, the ~~department~~ *county board* shall take action agreed to by unanimous consent of the county board, the commissioner, and the landowner. The action may include destruction or alteration of beaver dams and removal of beaver. This subdivision does not apply to state parks, state game refuges, and federal game refuges.

Subd. 2. [PETITION TO DISTRICT COURT.] If a beaver dam causes a threat to personal safety or a serious threat to damage property, and a person cannot obtain consent under subdivision 1, a person may petition the district court for relief. The court may order the ~~commissioner~~ *county board* to take action to reduce the threat.”

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Mr. Peterson, R.W. questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Mr. Benson moved to amend H.F. No. 2419, as amended by the Senate April 4, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2631.)

Page 10, after line 4, insert:

“Sec. 42. Minnesota Statutes 1988, section 97C.001, subdivision 1, is amended to read:

Subdivision 1. [DESIGNATION.] The commissioner may designate all or part of a lake or stream as experimental waters, *except for the streams located in Beaver Creek Valley State Park and Forestville State Park.* 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. The commissioner shall establish methods and criteria for public initiation of experimental waters designation and for public participation in the evaluation of the waters designated.”

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Mr. Peterson, R.W. questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Mr. Kroening moved to amend H.F. No. 2419, as amended by the Senate April 4, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2631.)

Page 14, after line 18, insert:

“Sec. 49. [STATE-PAID HEALTH INSURANCE FOR EARLY RETIREES.]

An employee of an agency of the state who is eligible for state-paid employee and dependent insurance under Minnesota Statutes, section 43A.18, or other law, who has at least 25 years of state service, who is immediately eligible for a retirement annuity, who is at least 55 and not yet 65 years of age, who is covered by a retirement plan established in Minnesota Statutes, chapter 352, and who retires after April 30, 1990, and before July 1, 1990, is eligible for state-paid hospital, medical, and dental benefits as provided in collective bargaining agreements or plans established under section 43A.18. This section does not apply to an employee previously, currently, or prospectively eligible for any form of early retirement incentive or separation pay under a collective bargaining agreement or plan established under Minnesota Statutes, section 43A.24, subdivision 2, paragraph (i). For purposes of this section, a person retires when the person terminates active employment in state service and applies for a retirement annuity. The retired employees are eligible for coverages to which they were entitled at the time of retirement subject to any changes in coverage through collective bargaining or plans established under section 43A.18 for employees in positions equivalent to that from which they retired, provided that the retired employees are not eligible for state-paid life insurance. Eligibility ceases when the retired employee attains the age of

65, or when the employee chooses not to receive the annuity for which the employee has applied, or the employee is eligible for employer-paid health insurance from a new employer. Coverages must be coordinated with relevant health insurance benefits provided through the federally sponsored Medicare program.

Sec. 50. [SUPPLEMENTAL RETIREMENT ANNUITY OPTION.]

Subject to this section and Minnesota Statutes, chapter 179A, until June 30, 1991, an employing unit with employees covered by a retirement plan established by Minnesota Statutes, chapter 352, may, with the agreement of the employee's exclusive bargaining representative and the employee, use all or a portion of the employee's severance payment plus accrued vacation to purchase a supplemental retirement annuity for that employee. To be eligible for this option, the employee must have accumulated at least 25 years of active service in the retirement plan and must be eligible to receive severance pay. The employing unit may not continue to make payments on the annuity contract for more than ten years. The annuity must be purchased from a company licensed to do business in this state. The cost of the annuity contract may not exceed the amount of the severance pay foregone plus annual interest at the rate of eight percent on the foregone amount until it is paid to the company from which the annuity is purchased."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Mr. Moe, D.M. questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Mr. Frederick moved to amend H.F. No. 2419, as amended by the Senate April 4, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2631.)

Page 14, after line 18, insert:

"Sec. 49. [DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT GRANT.]

The department of trade and economic development may make a grant from a state funded grant program to an organization that is engaged, or is planning to be engaged in the conversion of biological waste into methane gas, to be used for fuel, fertilizer and feed. In the selection of the organization to receive the grant, the department must consider the economic feasibility of the project and the potential for raising private money to supplement the grant money. In addition to a grant, the organization may also be eligible for a loan from a state agency or department or from a state loan or grant program."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 2419 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 58 and nays 4, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	Mehrkens	Purfeerst
Anderson	Davis	Johnson, D.E.	Metzen	Ramstad
Beckman	DeCramer	Knaak	Moe, D.M.	Renneke
Benson	Dicklich	Kroening	Moe, R.D.	Samuelson
Berg	Diessner	Laidig	Morse	Schmitz
Berglin	Flynn	Langseth	Novak	Solon
Bernhagen	Frank	Lantry	Olson	Spear
Bertram	Frederick	Lessard	Pehler	Storm
Brandl	Frederickson, D.J.	Luther	Peterson, R.W.	Vickerman
Brataas	Frederickson, D.R.	Marty	Piepho	Waldorf
Chmielewski	Freeman	McGowan	Piper	
Cohen	Gustafson	McQuaid	Pogemiller	

Messrs. Decker, Knutson, Larson and Mrs. Pariseau voted in the negative.

So the bill, as amended, was passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that H.F. No. 2651 be taken from the table. The motion prevailed.

H.F. No. 2651: 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 the commissioner of finance to make certain covenants to the purchasers of certain bonds or certificates of indebtedness; requiring identification of certain accounts; providing for the reduction and cancellation of certain bond sale authorizations; approving capital loans to certain school districts; not approving capital loans to certain school districts; authorizing certain lease-purchase, lease with option to buy, and rental arrangements by the commissioner of administration; appropriating money; amending Minnesota Statutes 1988, sections 16A.641, subdivision 6; 16A.672, by adding a subdivision; 16B.24, subdivisions 5 and 6; 116.18, subdivision 3d; 136.62, by adding a subdivision; 136A.28, subdivisions 3 and 7; 136C.04, subdivision 4; Minnesota Statutes 1989 Supplement, sections 16A.631; 16A.641, subdivision 7; 16A.69, subdivision 1; 16B.335, subdivision 2; Laws 1979, chapter 280, section 2, as amended; Laws 1989, chapter 329, article 5, section 21, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 124; repealing Minnesota Statutes 1988, section 16A.651.

SUSPENSION OF RULES

Mr. Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 2651 and that the rules of the Senate be so far suspended as to give H.F. No. 2651 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 2651 was read the second time.

Mr. Freeman moved to amend H.F. No. 2651 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 2651, and insert the language after the enacting clause, and the title, of S.F. No. 2632, as introduced.

The motion prevailed. So the amendment was adopted.

Mr. Dahl moved to amend H.F. No. 2651, as amended by the Senate April 4, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2632.)

Page 20, after line 20, insert:

“(g) Public School Building Survey

The commissioner of administration may conduct a survey of all public school buildings built after 1945 and before 1980 to determine the degree of physical accessibility for people with disabilities; may train school maintenance personnel to conduct on-site surveys to identify accessibility deficiencies in school buildings; and may prepare a report and workplan including schedules and cost estimates concerning necessary accessibility improvements. In preparing the report and workplan, the commissioner shall consult with and receive recommendations and priorities from the council on disability.

These activities shall be conducted in conjunction with the access survey being conducted for state-owned buildings, and the appropriation in Laws 1989, chapter 300, article 1, section 14, item (a), may be used for this purpose.”

The motion prevailed. So the amendment was adopted.

Mr. Knaak moved to amend H.F. No. 2651, as amended by the Senate April 4, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2632.)

Page 37, line 31, delete “40” and insert “50”

Page 38, line 3, delete “26.7” and insert “16.7”

Page 40, lines 5 and 11, delete “40” and insert “50”

Page 40, lines 6 and 13, delete “until the year 2001”

CALL OF THE SENATE

Mr. Freeman imposed a call of the Senate for the balance of the proceedings on H.F. No. 2651. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Knaak amendment.

The roll was called, and there were yeas 18 and nays 46, as follows:

Those who voted in the affirmative were:

Anderson	Decker	Larson	Olson	Renneke
Belanger	Frederickson, D.R.	McGowan	Pariseau	Storm
Benson	Knaak	McQuaid	Piepho	
Bernhagen	Knutson	Mehrkens	Ramstad	

Those who voted in the negative were:

Adkins	DeCramer	Johnson, D.E.	Moe, D.M.	Schmitz
Beckman	Dicklich	Johnson, D.J.	Moe, R.D.	Solon
Berg	Diessner	Kroening	Morse	Spear
Berglin	Flynn	Laidig	Pehler	Stumpf
Bertram	Frank	Langseth	Peterson, R. W.	Vickerman
Brandl	Frederick	Lantry	Piper	Waldorf
Brataas	Frederickson, D.J.	Lessard	Pogemiller	
Chmielewski	Freeman	Luther	Purfeerst	
Cohen	Gustafson	Marty	Reichgott	
Dahl	Hughes	Metzen	Samuelson	

The motion did not prevail. So the amendment was not adopted.

Mr. Lessard moved to amend H.F. No. 2651, as amended by the Senate April 4, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2632.)

Page 39, lines 27 and 28, after "resources" insert "*and wildlife*"

Page 40, line 12, after "*resources*" insert "*and wildlife*"

The motion prevailed. So the amendment was adopted.

Mr. Benson moved to amend H.F. No. 2651, as amended by the Senate April 4, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2632.)

Page 40, after line 15, insert:

"Sec. 48. [CAPITAL LOAN APPROVALS.]

According to Minnesota Statutes, section 124.43, subdivision 3a, a capital loan is approved for each of the following school districts:

- (1) independent school district No. 115, Cass Lake;
- (2) independent school district No. 192, Farmington;
- (3) independent school district No. 390, Lake of the Woods;
- (4) independent school district No. 484, Pierz; and
- (5) independent school district No. 533, Dover - Eyota.

The amount of each loan shall be determined by specific act of the legislature or according to Minnesota Statutes, section 124.43, subdivision 3a, as applicable."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Ms. Flynn moved to amend H.F. No. 2651, as amended by the Senate April 4, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2632.)

Page 20, line 11, delete "2,640,000" and insert "1,840,000"

Page 23, after line 10, insert:

"(e) Metropolitan Open Space

5,000,000

This appropriation is for payment by the commissioner of trade and economic development to the metropolitan council established under Minnesota Statutes, section 473.123. The commissioner shall transfer the amount to the metropolitan council upon receipt of a certified copy of a council resolution requesting payment. The appropriation must be used to pay only acquisition costs of specific identified parcels, relocation costs, and tax equivalency payments by the metropolitan council and local government units for regional recreational open space lands in accordance with the council's policy plan as provided in Minnesota Statutes, sections 473.315 and 473.341. No more than \$200,000 may be used for staff and independent services necessary to acquire open space."

Correct the section totals, the bond sale authorization, and the appropriation summary accordingly

Ms. Berglin moved to amend the Flynn amendment to H.F. No. 2651 as follows:

Page 1, line 7, delete "5,000,000" and insert "4,700,000"

Page 1, after line 28, insert:

"(f) Local Recreation Grants 300,000

This appropriation is to acquire and better recreation open space projects upon application by local units of government. A project may receive grant assistance of up to 50 percent of the total capital cost of the project."

The motion did not prevail. So the amendment to the amendment was not adopted.

The question recurred on the adoption of the Flynn amendment.

The roll was called, and there were yeas 18 and nays 43, as follows:

Those who voted in the affirmative were:

Berglin	Flynn	Kroening	Metzen	Spear
Brandl	Frank	Laidig	Novak	Waldorf
Cohen	Frederickson, D.J.	Lantry	Pogemiller	
Diessner	Johnson, D.J.	Marty	Renneke	

Those who voted in the negative were:

Adkins	Dahl	Knaak	Merriam	Piper
Anderson	Decker	Knutson	Moe, D.M.	Ramstad
Belanger	DeCramer	Langseth	Moe, R. D.	Samuelson
Benson	Dicklich	Larson	Morse	Schmitz
Berg	Frederick	Lessard	Olson	Storm
Bernhagen	Frederickson, D.R.	Luther	Pariseau	Stumpf
Bertram	Freeman	McGowan	Pehler	Vickerman
Brataas	Gustafson	McQuaid	Peterson, R. W.	
Chmielewski	Johnson, D.E.	Mehrkens	Piepho	

The motion did not prevail. So the amendment was not adopted.

Mr. Waldorf moved to amend H.F. No. 2651, as amended by the Senate

April 4, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2632.)

Page 1, after line 20, insert:

“ARTICLE 1”

Page 40, line 20, delete “*act*” and insert “*article*”

Page 40, after line 20, insert:

“ARTICLE 2

Section 1. Minnesota Statutes 1988, section 16B.16, is amended by adding a subdivision to read:

Subd. 3. [LEGISLATIVE INTENT.] The purpose of the energy efficiency installment purchase contracts authorized by this section is to save money on energy costs. That is why the entire cost of the contract must be a percentage of the resultant savings in energy costs. Neither the state nor any state agency is liable to make payments on the contract except to the extent that there are savings in energy costs that must be shared with other parties to the contract. The legislature intends not to appropriate any more money to pay for energy costs as a result of these contracts than would be payable without them.

Sec. 2. Minnesota Statutes 1988, section 41A.03, subdivision 5, is amended to read:

Subd. 5. [LIMITATION ON LIABILITY.] The liability of the state for loan guaranties or bonds authorized under this chapter is limited to the amount of funds appropriated to the guaranty fund pursuant to section 41A.06. The legislature intends not to appropriate money from the general fund to the guaranty fund, other than the sales and use taxes from a project as provided for in section 41A.06, subdivision 4. The loan guaranties or bonds are not a general obligation or debt of the state.

Sec. 3. Minnesota Statutes 1988, section 136.31, subdivision 1, is amended to read:

Subdivision 1. All references in sections 136.31 to 136.38 to the state university board shall be deemed and construed to include any successor thereof created or established by law. The state university board is hereby authorized to do the following:

(a) acquire by purchase or otherwise, construct, complete, remodel, equip, operate, control, and manage residence halls, dormitories, dining halls, student union buildings and any other similar revenue-producing buildings of such type and character as said board shall from time to time find necessary for the good and benefit of any of the state universities under the jurisdiction of said board, and for that purpose may acquire property of any and every kind and description, whether real, personal or mixed, by gift, purchase or otherwise; provided that no contract for the construction of any building shall be entered into until financing therefor has been approved by the legislature;

(b) maintain and operate any such buildings or structures and charge for the use thereof, and carry on such activities, as are commonly conducted in connection with any such buildings or structures;

(c) enter into contracts touching in any manner or any matter within the

objects and purposes of sections 136.31 to 136.38;

(d) acquire building sites and buildings or structures by gift, purchase or otherwise and pledge the revenues thereof for the payment of any bonds issued for such purpose as provided in sections 136.31 to 136.38;

(e) borrow money and issue and sell bonds in such amount or amounts as the legislature shall authorize for the purpose of acquiring, constructing, completing, remodeling, or equipping any such buildings or structures, and acquiring sites therefor, and refund and refinance the same from time to time by the issuance and sale of refunding bonds as often as it shall in the board's judgment be advantageous to the public interest so to do. All such bonds shall be sold and issued by said board in the manner and upon the terms and conditions provided by chapter 475, except as otherwise provided in this section. Such bonds shall be payable solely from and secured by an irrevocable pledge of the revenues to be derived from the operation of any such buildings or structures acquired, constructed, completed, remodeled, or equipped in whole or in part with the proceeds of such bonds and in addition thereto from such other income and revenues described in section 136.33, clause (a) as said board by resolution shall specify, and notwithstanding this limitation all bonds issued hereunder shall have the qualities of negotiable instruments under the laws of this state. *The legislature intends not to appropriate money from the general fund to pay for these bonds.*

Sec. 4. Minnesota Statutes 1989 Supplement, section 136A.176, is amended to read:

136A.176 [BONDS NOT STATE OBLIGATIONS.]

Bonds issued under authority of sections 136A.15 to 136A.179 do not, and shall state that they do not, represent or constitute a debt or pledge of the faith and credit of the state, grant to the owners or holders thereof any right to have the state levy any taxes or appropriate any funds for the payment of the principal thereof or interest thereon. Such bonds are payable and shall state that they are payable solely from the rentals, revenues, and other income, charges, and moneys as are pledged for their payment in accordance with the bond proceedings. *The legislature intends not to appropriate money from the general fund to pay for these bonds.*

Sec. 5. Minnesota Statutes 1988, section 136A.35, is amended to read:

136A.35 [BONDS ARE NOT STATE OBLIGATION.]

Bonds issued under authority of sections 136A.25 to 136A.42 do not, and shall state that they do not, represent or constitute a debt or pledge of the faith and credit of the state, grant to the owners or holders thereof any right to have the state levy any taxes or appropriate any funds for the payment of the principal thereof or interest thereon. Such bonds are payable and shall state that they are payable solely from the rentals, revenues, and other income, charges, and moneys as are pledged for their payment in accordance with the bond proceedings. *The legislature intends not to appropriate money from the general fund to pay for these bonds.*

Sec. 6. Minnesota Statutes 1989 Supplement, section 298.2211, subdivision 4, is amended to read:

Subd. 4. [OBLIGATIONS NOT STATE DEBT.] Bonds and other obligations issued by the commissioner pursuant to this section, along with all related documents, are not general obligations of the state of Minnesota and are not subject to section 16B.06. The full faith and credit and taxing

powers of the state are not and may not be pledged for the payment of these bonds or other obligations, and no person has the right to compel the levy of any state tax for their payment or to compel the appropriation of any moneys of the state for their payment except as specifically provided herein. These bonds and obligations shall be payable solely from the property and moneys derived by the commissioner pursuant to the authority granted in this section that the commissioner pledges to their payment. *The legislature intends not to appropriate money from the general fund to pay for these bonds or other obligations.* All these bonds or other obligations must contain the provisions of this subdivision or words to the same effect on their face.

Sec. 7. [EFFECTIVE DATE.]

This article is effective July 1, 1990."

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Benson moved to amend H.F. No. 2651, as amended by the Senate April 4, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2632.)

Page 40, after line 15, insert:

"Sec. 48. [STATE BUILDING COMMISSION TASK FORCE.]

Subdivision 1. [MEMBERSHIP.] The state building commission task force consists of:

(1) four members of the senate, two of whom must be members of the majority caucus and two of whom must be members of the minority caucus, appointed by the subcommittee on committees of the committee on rules and administration;

(2) four members of the house of representatives, two of whom must be members of the majority caucus and two of whom must be members of the minority caucus, appointed by the speaker;

(3) the commissioner of finance or the commissioner's designee; and

(4) the commissioner of administration or the commissioner's designee.

Subd. 2. [DUTIES.] (a) The task force shall formulate a legislative proposal for the establishment of a state building commission with responsibility for legislative oversight, study, investigation, and planning of state building projects. The legislative proposal must address the powers and duties of the commission. Powers and duties that must be considered by the task force include the study and investigation of:

(1) current and future needs for new state buildings;

(2) repair and maintenance needs of existing buildings;

(3) existing and future use of leased office space or buildings;

(4) all matters concerning the maintenance, remodeling, and furnishing of the governor's residence;

(5) other public capital improvements; and

(6) other matters relating to clauses (1) to (5) deemed necessary by the task force.

(b) Other powers and duties that must be considered by the task force include:

- (1) making prioritized biennial recommendations to the legislature;*
- (2) including operating costs for all recommended building or remodeling projects;*
- (3) establishing and continually maintaining a long-term plan for state building needs and capital improvements; and*
- (4) maintaining an inventory of all state buildings, land, and office space owned or leased by the state.*

(c) The task force shall also consider:

- (1) whether the state building commission should consist of legislators and state executive agency officials, or nongovernment professionals and public representatives, or a combination of both;*
- (2) the number and terms of members, how members should be appointed and compensated, if they are compensated, and how the commission should be staffed; and*
- (3) how, when, and under what guidelines the legislature should review commission recommendations and, specifically, whether the legislature should be limited to approving only projects that have been recommended by the commission.*

Subd. 3. [REPORT.] The task force shall report its findings and recommendations to the legislature by November 30, 1990. The task force is disbanded upon submission of the report required by this subdivision."

Renumber the sections in sequence and correct the internal references
Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Pehler moved to amend the first Benson amendment to H.F. No. 2651, adopted by the Senate April 4, 1990, as follows:

Page 1, line 14, delete "and"

Page 1, line 15, delete the period and insert a semicolon

Page 1, after line 15, insert:

- "(6) independent school district No. 213, Osakis;*
- (7) independent school district No. 345, New London-Spicer;*
- (8) independent school district No. 682, Roseau;*
- (9) independent school district No. 748, Sartell; and*
- (10) independent school district No. 858, St. Michael."*

The motion did not prevail. So the amendment to the amendment was not adopted.

Mr. Moe, D.M. moved to amend H.F. No. 2651, as amended by the Senate April 4, 1990, as follows:

(The text of the amended House File is identical to S.F. No. 2632.)

Page 14, delete lines 4 to 13

The motion did not prevail. So the amendment was not adopted.

H.F. No. 2651 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 55 and nays 11, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Metzen	Purfeerst
Anderson	Decker	Knaak	Moe, D.M.	Reichgott
Beckman	DeCramer	Kroening	Moe, R.D.	Renneke
Belanger	Dicklich	Laidig	Morse	Samuelson
Benson	Flynn	Langseth	Novak	Schmitz
Berg	Frederick	Lantry	Pariseau	Solon
Bernhagen	Frederickson, D.J.	Larson	Pehler	Spear
Bertram	Frederickson, D.R.	Luther	Peterson, R.W.	Storm
Brataas	Freeman	Marty	Piepho	Stumpf
Chmielewski	Gustafson	Mehrkens	Piper	Vickerman
Cohen	Johnson, D.E.	Merriam	Pogemiller	Waldorf

Those who voted in the negative were:

Berglin	Frank	Knutson	McGowan	Olson
Brandl	Hughes	Lessard	McQuaid	Ramstad
Diessner				

So the bill, as amended, was passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate revert to the Orders of Business of Messages From the House and First Reading of House Bills. The motion prevailed.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 2130: A bill for an act relating to insurance; regulating the practices and record keeping of, and disclosures by, public adjusters; amending Minnesota Statutes 1988, section 72B.135, by adding subdivisions.

Senate File No. 2130 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 4, 1990

Mr. Cohen moved that the Senate do not concur in the amendments by the House to S.F. No. 2130, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1942: A bill for an act relating to insurance; making changes in arbitration proceedings concerning no-fault automobile insurance; amending Minnesota Statutes 1988, section 65B.525, by adding a subdivision; and Minnesota Statutes 1989 Supplement, section 72A.327.

Senate File No. 1942 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 4, 1990

Mr. Brandl moved that the Senate do not concur in the amendments by the House to S.F. No. 1942, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1670: A bill for an act relating to natural resources; prohibiting transportation of Eurasian water milfoil; providing exceptions; providing penalties for not removing Eurasian water milfoil from watercraft; providing penalties; amending Minnesota Statutes 1988, section 361.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 18.

Senate File No. 1670 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 4, 1990

Mr. Luther moved that the Senate do not concur in the amendments by the House to S.F. No. 1670, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2131:

H.F. No. 2131: A bill for an act relating to crimes; prohibiting wild land arson fires; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 609.

The House respectfully requests that a Conference Committee of 5 members be appointed thereon.

Johnson, R.; Kelly; Bishop; Ozment and Rukavina have been appointed as such committee on the part of the House.

House File No. 2131 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 4, 1990

Mr. Dahl moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2131, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2025:

H.F. No. 2025: A bill for an act relating to agriculture; creating a restricted seed potato growing area and historic certified seed potato area; providing restrictions; requiring a study; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 21.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Tunheim, Bauerly and Lieder have been appointed as such committee on the part of the House.

House File No. 2025 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 4, 1990

Mr. Stumpf moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2025, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2200:

H.F. No. 2200: A bill for an act relating to education; starting, developing, adding to, clarifying, and financing elementary and secondary and related education programs and services, including those relating to general education, transportation, special programs, drug prevention and other community programs, facilities, programs of cooperation, other aids and levies, rural health care, and the department of education; providing for technical rate changes; authorizing bonds and tax levies; appropriating money; amending Minnesota Statutes 1988, sections 120.062, subdivision 9, and

by adding a subdivision; 121.148; 121.15, subdivisions 1 and 7; 121.88, subdivision 6; 121.882, subdivision 9, and by adding a subdivision; 121.908, subdivision 3; 121.917, subdivision 4; 122.91, by adding a subdivision; 122.93, by adding a subdivision; 122.94, subdivision 5; 123.33, subdivision 1; 123.35, by adding subdivisions; 123.3514, subdivisions 6 and 6b; 123.36, subdivision 10; 123.37, subdivision 1; 123.38, subdivisions 1 and 2b; 123.39, subdivision 6; 123.58, subdivisions 2 and 6; 123.9361; 123.947; 124.14, subdivision 7; 124.195, subdivision 10, and by adding subdivisions; 124.26, by adding a subdivision; 124.2711, subdivision 2; 124.494, by adding a subdivision; 124A.02, subdivision 1; 124A.036, subdivision 5, and by adding a subdivision; 125.12, by adding a subdivision; 125.17, by adding a subdivision; 125.185, by adding a subdivision; 125.231, subdivision 6; 125.60, subdivision 2; 126.12, subdivision 2; 126.666, subdivisions 2 and 4; 126.70, subdivision 2a; 129B.53, subdivision 3; 141.25, subdivisions 7 and 9; 181A.04, by adding a subdivision; 181A.12, subdivision 1; 275.125, subdivision 4; and 471.59, subdivision 2; Minnesota Statutes 1989 Supplement, sections 121.111, subdivisions 1 and 2; 121.15, subdivision 2; 121.612, subdivisions 3 and 5; 121.88, subdivision 9; 121.882, subdivision 2; 122.243, subdivision 2; 122.91, subdivisions 1 and 5; 122.92, subdivision 1; 122.94, subdivision 6; 122.945, subdivision 2; 123.58, subdivision 9; 124.10, subdivision 2; 124.155, subdivision 2; 124.19, subdivision 7; 124.225, subdivisions 1, 3a, and 8k; 124.26, subdivisions 7 and 8; 124.2711, subdivisions 1 and 3; 124.2713; 124.2715; 124.2721; 124.2725, subdivision 8, and by adding a subdivision; 124.38, subdivision 7; 124.573, subdivision 2d; 124.83, subdivision 6; 124.90, subdivision 2; 124A.22, subdivision 2a; 126.22, subdivisions 2 and 3; 128B.03, subdivision 4; 129.128; 141.35; 275.125, subdivisions 5c, 5e, 6h, 6i, 8b, 9a, 9b, 9c, 11d, and 18; Minnesota Statutes Second 1989 Supplement, sections 124.2442, subdivision 1; 124.83, subdivisions 1 and 4; 124A.26, subdivision 1; Laws 1959, chapter 462, section 3, subdivision 10, as renumbered, as amended; Laws 1984, chapter 463, article 6, section 15, subdivision 2; Laws 1988, chapter 718, article 6, section 23; and Laws 1989, chapter 329, article 5, section 21, subdivision 4; article 11, sections 15, subdivisions 2 and 12; 16, subdivision 2; article 12, sections 9, subdivision 2; and 11; proposing coding for new law in Minnesota Statutes, chapters 121; 122; 124; 125; 126; 129B; and 237; proposing coding for new law as Minnesota Statutes, chapter 124B; repealing Minnesota Statutes 1988, sections 121.15, subdivision 4; 124.43, subdivisions 2, 3, 4, 5, and 6; Minnesota Statutes 1989 Supplement, section 124.43, subdivision 1.

The House respectfully requests that a Conference Committee of 5 members be appointed thereon.

Nelson, K.; McEachern; Ozment; Bauerly and Kelso have been appointed as such committee on the part of the House.

House File No. 2200 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 4, 1990

Mr. Peterson, R.W. moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2200, and that a Conference

Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 2057, 2138, 2458, 173, 2148 and 2390.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 4, 1990

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 2057: A bill for an act relating to the city of Detroit Lakes; authorizing the establishment of a detached banking facility under certain conditions.

Mr. Moe, R.D. moved that H.F. No. 2057 be laid on the table. The motion prevailed.

H.F. No. 2138: A bill for an act relating to veterans; requiring two members of the board of directors of the Minnesota veterans homes to be women; directing the commissioner of veterans affairs to study the provision of veterans services to women; amending Minnesota Statutes 1988, section 198.002, subdivision 2.

Referred to the Committee on Veterans and Military Affairs.

H.F. No. 2458: A bill for an act relating to hazardous materials; directing the commissioner of public safety to plan a system for a regional hazardous materials incident response program; establishing an advisory task force.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2194.

H.F. No. 173: A bill for an act relating to agriculture; providing customer information when artificial cheese is used in certain foods; proposing coding for new law in Minnesota Statutes, chapter 31.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2468, now on General Orders.

H.F. No. 2148: A bill for an act relating to state employees, public employees, and teachers; providing immediate vesting for those persons whose employer ceases to be a governmental agency, instrumentality, subdivision, or public body; permitting those persons to elect a refund of their accumulated contributions, retirement annuity, or deferred retirement annuity; proposing coding for new law in Minnesota Statutes, chapter 356.

Referred to the Committee on Governmental Operations.

H.F. No. 2390: A bill for an act relating to children; providing improved procedures to protect the safety and welfare of abused and neglected children; improving data practices; requiring the commissioner of health to encourage display of posters informing pregnant women of the dangers of alcohol use; excluding persons with a history of child abuse or criminal sexual behavior from certain protections for criminal offenders; increasing

penalties for assault against a child when there is a past pattern of child abuse; increasing the penalties for malicious child punishment resulting in great bodily harm and assaulting a child protection worker; including mental injuries and threatened injuries as abuse to be reported as maltreatment of minors; amending Minnesota Statutes 1988, sections 147.09; 259.40, subdivisions 1 and 4; 260.011, subdivision 2; 260.155, subdivision 1; 609.2231, by adding a subdivision; 626.556, subdivisions 1, 3, 4, and by adding a subdivision; 626.559, subdivision 2; Minnesota Statutes 1989 Supplement, sections 179A.03, subdivision 7; 245A.04, subdivision 3; 260.015, subdivision 2a; 260.161, subdivision 2; 260.171, subdivision 4; 260.221, subdivision 1; 364.09; 609.223; 609.377; 626.556, subdivisions 2, 10e, and 11; and 626.558, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 120; 144; and 245.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2188.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

APPOINTMENTS

Mr. Moe, R.D. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

S.F. No. 1743: Messrs. Schmitz, Waldorf and Dicklich.

S.F. No. 1942: Messrs. Brandl, Larson and Freeman.

H.F. No. 2200: Messrs. Peterson, R.W.; Pehler; Ms. Reichgott, Messrs. Brandl and Dicklich.

H.F. No. 2131: Messrs. Dahl; Merriam; Knaak; Peterson, R.W. and Lessard.

H.F. No. 2025: Messrs. Stumpf, Frederick and Langseth.

S.F. No. 2130: Messrs. Cohen, Solon and Frederick.

S.F. No. 1670: Messrs. Luther, Novak and Ms. Olson.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

MEMBERS EXCUSED

Mr. Dahl was excused from the Session of today from 1:00 to 2:00 p.m. Mr. Davis was excused from the Session of today at 5:00 p.m. Mr. Brandl and Ms. Olson were excused from the Session of today from 2:55 to 5:00 p.m. Mr. Pehler was excused from the Session of today at 7:45 p.m. Ms. Reichgott was excused from the Session of today from 4:15 to 6:00 p.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 1:00 p.m., Thursday, April 5, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate